

DRINKING WATER BOARD  
PACKET

NOVEMBER 9, 2012

SALT LAKE CITY, UTAH

AGENDA

FOR THE  
DRINKING WATER BOARD  
MEETING

ON  
NOVEMBER 9, 2012



## State of Utah

GARY R. HERBERT  
*Governor*

GREG BELL  
*Lieutenant Governor*

## Department of Environmental Quality

Amanda Smith  
*Executive Director*

DIVISION OF DRINKING WATER  
Kenneth H. Bousfield, P.E.  
*Director*

### **Drinking Water Board**

Paul Hansen, P.E., *Chair*  
Ken Bassett, *Vice-Chair*  
Terry Beebe  
Russell Donoghue  
Daniel Fleming  
Tage Flint  
Heather Jackson  
Betty Naylor  
Amanda Smith  
David Stevens, Ph.D.  
James Webb  
Kenneth H. Bousfield, P.E.  
*Executive Secretary*

## DRINKING WATER BOARD MEETING

DEQ Board Room, #1015  
195 North 1950 West  
Salt Lake City, Utah 84116

November 9, 2012  
1:00 p.m.

Ken Bousfield's Cell Phone #: (801) 674-2557

1. Call to Order – Chairman Hansen
2. Roll Call – Ken Bousfield
3. Introductions – Chairman Hansen
4. Approval of Minutes – July 13, 2012 and  
September 6, 2012
5. Financial Assistance Committee Report – Vice Chairman Bassett
  - 1) Status Report – Michael Grange
  - 2) Project Priority List – Michael Grange
  - 3) SRF Applications  
Federal Funds
    - a) Rockland Ranch – Gary Kobzeff
    - b) Mendon City – Nathan Hall
    - c) Ogden City – Gary Kobzeff
    - d) Duchesne County WCD – Gary Kobzeff
    - e) Shiloah Wells – De-authorization – Michael Grange
  - 4) Other Business – Michael Grange

6. Rural Water Association of Utah's Funding for the Development Specialist - Ken
7. Rural Water Association's Report – Dale Pierson
8. Operator Certification Commission Member Renewals – Kim Dyches
9. Cross Connection Control Commission Member Renewals – Kim Dyches
10. Final Changes to Rules: R309-600-13-3 and R309-515 - Jim Martin and Ying-Ying Macauley
11. 2013 Drinking Water Board Meeting Schedule
12. Chairman's Report
13. Directors Report
  - a. Cedar Hills Giardina Outbreak
  - b. ASDWA Annual Conference
14. Next Board Meeting:  
Date: January 11, 2013  
Time of Board Meeting: 1:00 p.m.  
Location: 195 North 1950 West  
DEQ Board Room, # 1015  
Salt Lake City, Utah 84116  
Phone: (801) 536-4200
15. Other
16. Adjourn

*In compliance with the American Disabilities Act, individuals with special needs (including auxiliary communicative aids and services) should contact Brooke Baker, Office of Human Resources, at: (801) 536-4412, TDD (801) 536-4424, at least five working days prior to the scheduled meeting.*

AGENDA ITEM 4

APPROVAL OF THE

a. JULY 13, 2012  
MINUTES

and

b. SEPTEMBER 6, 2012  
MINUTES

4.a. JULY 13, 2012  
MINUTES



## State of Utah

GARY R. HERBERT  
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*Executive Secretary*

### MINUTES OF THE DRINKING WATER BOARD MEETING HELD ON JULY 13, 2011 IN SALT LAKE CITY, UTAH

#### Board Members Present

Paul Hansen, Chairman  
Ken Bassett, Vice Chairman  
Terry Beebe  
Russell Donoghue  
Tage Flint  
Heather Jackson  
Betty Naylor  
David Stevens, Ph.D.

#### Board Members Excused

Danny Fleming  
Jim Webb  
Amanda Smith

#### STAFF

Ken Bousfield  
Rich Peterson  
Sandy Pett  
J.J. Trussell  
Nathan Hall  
Linda Matulich  
Sandy Pett  
Kate Johnson  
Bob Hart  
Jim Martin  
Michael Grange

#### Guests

Dale Pierson, Rural Water Association  
Gary Allen, Goaslind Spring Water Works  
Lars J. Powell, Cedar City  
Charles Skewes, Horrocks Engineers  
Jeremy Jensen, Goaslind Spring Water Works  
Robert Worley, Sunrise Engineering  
Randy Preece, Goaslind Spring Water Works  
Roger Francom, U.S. Magnesium  
Bill Ford, Elberta Water Company  
Dale Pierson, Rural Water Association  
Sue White, Summit County Service Area #3  
Orvil White, Summit County Service Area #3  
Ben Miner, Hansen, Allen & Luce, Inc.  
Sarah Young, PSOMAS  
J. Alton Veibell, Willow Creek Water Co.  
Steven Taylor, Willow Creek Water Co.  
Eric Dursteler, Willow Creek Water Co.  
Ted Mickelsen, PSOMAS  
Greg Warner, Lake Rockport Estates  
Shawn Gonzales, Salt Lake Valley HD  
Brent Ventura, Willow Creek Water Co.  
John Field, Wooden Shoe Water Company  
Joe Santos, EPIC Engineering, Wooden Shoe WC

#### STAFF Continued

Jesse Johnson  
Julie Cobleigh

#### ITEM NO. 1 – CALL TO ORDER

The Drinking Water Board convened at 1:00 p.m. in Salt Lake City, Utah with Chairman Hansen presiding.

## ITEM NO. 2 – ROLL CALL

Chairman Hansen mentioned that Danny Fleming, Amanda Smith, and Jim Webb asked to be excused.

Chairman Hansen asked Ken Bousfield to call roll of the Drinking Water Board Members.

The roll call showed that a quorum of 8 members were present.

## ITEM NO. 3 – INTRODUCTIONS

Chairman Hansen welcomed the guests, and asked them to introduce themselves.

## ITEM NO. 4 – APPROVAL OF THE MINUTES OF MAY 11, 2012

Chairman Hansen stated a motion was in order to approve the Drinking Water Board minutes of May 11, 2012.

**Bette Naylor moved the Drinking Water Board approve the minutes with one correction; on page 5 under: d) Leeds Domestic Water Users Association, at the end of the second line it reads: ..... “equip the new well on that”, and it should read: “equip the new well that”.**

**Ken Bassett seconded.**

**CARRIED  
(Unanimous)**

## ITEM NO. 5 – FINANCIAL ASSISTANCE COMMITTEE REPORT

### 1) Status Report

Michael Grange reported as of the end of May 2012, the State fund has \$2,000,000 left in the fund. We expect annual sales tax revenue of \$3.5 million this next year, less the State match for the Federal Fund. We will receive a repayment stream in January through June 1, 2013.

Michael mentioned that we have a number of Federal SRF Projects that are preparing for loan closing. If these projects were to close right away, the Federal fund would be \$5,000,000 in the red. We do have income streams flowing into that fund. Our main one will be our 2012 Capitalization Grant of \$6.5 million. The State Match of \$1.8 million that was mentioned in regard to the State fund as well as Repayment Streams through June 1, 2013. In the Federal loan, we expect to have \$11,000,000 that will be available. The next page down shows projects that have been authorized, but have not yet closed. We have a number of specific projects out there preparing for closure.

Michael Grange mentioned that since the last Drinking Water Board meeting in May, staff has closed 4 loans; Mountain Regional Water for \$1.278 million, Uintah lands for \$677,000, Nordic Mountain for \$535,000, and Kane County-Zion \$1.4 million. Since the last Drinking Water Board meeting, staff has authorized a \$38,000 planning advance to Gunnison City.

Michael Grange mentioned he would like to start reporting on the construction projects as they are completed and closed out. That way the Drinking Water Board will know what the status is on the projects. Construction has been completed, operating permits have been issued and all of the paperwork for a number of projects that were authorized in from April 2009 through October 2010. Mountain Regional, Ticaboo, Beaver City, Washington County, Cannonville, Corinne, Park City, and Ferron have all completed their projects and have moved on.

## 2) Project Priority List

Michael Grange reported that four projects have been added to the Project Priority List:

- a) Wooden Shoe Water Company with 75.8 points. Their project consists of a new well, well house and a tank.
- b) Lake Rockport Estates with 36.7 points. Their project consists of a new storage tank.
- c) Elberta Water Company with 29.5 points. Their project consists of equipping a well and a transmission line.
- d) Willow Creek Water Company with 10.3 points. Their project consists of a new well.

Michael Grange mentioned the Financial Assistance Committee has approved the updated Project Priority List. The Financial Assistance Committee is requesting that the Drinking Water Board approve the Project Priority list.

**David Stevens moved the Drinking Water Board approve the Project Priority List.**

**Heather Jackson seconded.**

**CARRIED  
(Unanimous)**

## 3) SRF Applications

### FEDERAL FUNDS

- a) Lake Rockport Estates – Nathan Hall

Nathan Hall reported Lake Rockport Estates is requesting \$404,000 in financial assistance to construct a new 365,000 gallon water tank. Total water system improvement costs are estimated to be \$504,000 and Lake Rockport is contribution \$100,000 to the project.

Lake Rockport Estates is a second home subdivision with a total of 340 lots. Of their 156 lots that are currently metered, 98 are developed with a structure on the property. The water system is owned and operated by the Home Owners Association.

The Drinking Water Board has established a policy that all 2<sup>nd</sup> home developments authorized for SRF funding will be charged an interest rate no less than 90% of the index rate. For the evaluation, the calculated interest rate is 4.26%.

Greg Warner and Ted Nickelson, representing Lake Rockport Estates, were available for any questions or concerns of the Drinking Water Board.

Discussion followed.

**Dave Stevens moved the Drinking Water Board authorize a \$404,000 construction loan at 4.26% interest for 20 years to Lake Rockport Estates. Lake Rockport Estates must resolved any and all issues on their compliance report.**

**Russ Donoghue seconded.**

**CARRIED  
(Unanimous)**

b) Elberta Water Company – Rich Peterson

Rich Peterson addressed the Drinking Water Board. Rich Peterson reported that the Elberta Water Company has an Arsenic blending project that they need to do. They also have some upgrades that they need to do to their distribution system. The cost of the project is \$616,200, or a combined total for both projects of \$1,640,535.

The applicant requested that both options be considered as separate funding scenarios, in case the combined repayment is too expensive. They scored 29.5 points on the Project Priority list. Their local MAGI is 72% of the State's MAGI.

Rich Peterson reviewed the monthly ERC over the life of the loan with a chart for both funding requests that are listed in the packet. Staff has developed a graduated repayment schedule. This will also help keep payments down over the years. But it will require them to increase their rates accordingly.

Rich Peterson mentioned the Drinking Water Board authorized a planning loan of \$18,000 to study their arsenic contamination at the September 2008 Drinking Water Board meeting.

Rich Peterson mentioned that the Financial Assistance Committee is recommended that the Drinking Water Board authorize \$634,200 in funding to Elberta Water Company for an Arsenic blending project, where the repayable loan amount would be \$505,000 at 0% for 30 years with \$129,000 in principal forgiveness. The \$18,000 planning loan is included in the total amount. Conditions include that they resolved all issues on their compliance report and work out

the details of the neighborhood system supplying water to the water company. As an optional authorization, a funding package of \$1,658,535 for both the Arsenic blending and distribution system upgrades. The repayment loan amount would be \$1,319,000 at 0% interest for 30 years with \$339,535 in principal forgiveness.

Robert Worley, Sunrise Engineering and Bill Ford, representing Elberta Water Company, addressed the Drinking Water Board. They were available to answer any questions from the Drinking Water Board.

Discussion followed.

**Paul Hansen moved the Drinking Water Board authorize Assistance Scenario B package of **up to** \$1,658,535 for both the Arsenic blending and distribution system upgrades. The repayable loan amount would be \$1,319,000 at 0% interest for 30 years with \$339,535 in principal forgiveness, with the condition that should the water system not be able to fund the entire project that you can reduce the scope down to Scenario A. It is my recommendation that if the scope does change to where it is lower than Scenario A, it would require further discussion to make sure we have a viable project. An added condition to this package will be for the water system to resolve any outstanding issues, and making sure that the documentation is clear on the compliance report. The \$18,000 planning loan is included in the total amount.**

**Heather Jackson requested adding the wording: “**up to**” before the loan amount in the second line, as stated above.**

**Paul amended his motion to include the wording: “**up to**” before the loan amount in the second line, as shown above.**

**Betty Naylor seconded.**

**CARRIED  
(Unanimous)**

**c) Summit County Service Area #3 – Julie Cobleigh**

Julie Cobleigh reported Summit County Service Area #3 is requesting financial assistance in the amount of \$70,000 to install a booster pump station to provide adequate pressure to three homes. The total project cost is estimated to be \$70,500 and they will contribute \$500 towards the project. The project scored 15.3 points on the Project Priority List.

Summit County Service Area #3 has entered into a Compliance Agreement/Enforcement Order with the Division to resolve a significant physical deficiency identified during their 2011 sanitary survey as failure to provide adequate PRESSURE TO ALL CONNECTIONS. The water system has until May 2013 to construct a project to resolve this deficiency and receive an operating permit. The local MAGI is \$46,845 which is 127% of the average State MAGI of \$36,896.

Julie Cobleigh reviewed 3 funding options with the Drinking Water Board.

Ben Miner, Hansen, Allen & Luce, Inc., Orvil White and Sue White, Summit County Service Area #3 representatives, were available to address the Drinking Water Board and answer any questions from the Drinking Water Board.

Sue White, representative, addressed the Drinking Water Board. Sue White requested that the Drinking Water Board approve a funding package of \$70,000 with \$14,000 in principal forgiveness.

Ken Bassett mentioned there is very little difference between the funding scenario's that are being requested.

Discussion followed.

**Betty Naylor moved the Drinking Water Board authorize a \$70,000 construction loan to Summit County Service Area #3 at 1.91% interest for 20 years.**

**Terry Beebe seconded.**

**CARRIED  
(Unanimous)**

Betty Naylor mentioned on page 65 that if that becomes the permanent record, then it will have to be modified to have the funding source at the bottom of the page and the funding grant taken out.

#### d) Wooden Shoe Water Company – Julie Cobleigh

Julie Cobleigh reported that the Wooden Shoe Water Company is requesting \$201,000 in financial assistance to develop a new culinary well and well house and construct a new 20,000 gallon water storage tank. The project scored 75.8 points on the Project Priority List. EPA has issued an Administrative Order against the Wooden Shoe Water Company. Wooden Shoe currently has 325 IPS points against the system and is rated "Not Approve". The significant deficiencies that have been identified against the system are that they lack a storage facility, they fail to provide adequate pressure to all of their connections and their spring facility has been determined to be under the direct influence of surface water. The project scope will resolve these deficiencies and comply with EPA's Administrative Order. Julie reviewed the funding scenarios.

Julie Cobleigh mentioned the Financial Assistance Committee is recommending a \$201,000 construction loan for 30 years at 1.00% interest.

Joe Santos, EPIC Engineering, and John Field, representative for Wooden Shoe Water Company, were available to answer any questions from the Drinking Water Board.

**Russ Donoghue moved the Drinking Water Board authorize a \$201,000 at 1% for 30 years.**

**Heather Jackson moved that the Drinking Water Board**

**CARRIED  
(Unanimous)**

e) Goasland Spring Water Works Company – Julie Cobleigh

Julie Cobleigh reported that Goasland Spring Water Works Company is requesting \$378,000 in financial assistance to rehabilitate their spring, replace 6,900 feet of old, leaking waterline, construct a new 50,000 gallon storage tank and install a pump station and chlorination building. The total project cost is \$378,000 and they would like the planning loan of \$25,000 previously authorized to be rolled in to the new construction loan, bringing the total request to \$393,000. The project scored 19.1 points on the Project Priority List. The local MAGI of \$43,097 is approximately 118% of the State's MAGI. Their water bill is \$66.40 per month.

Jeremy Jensen, Sunrise Engineering, Gary Allen, Director and Randy Preece, President, Goasland Spring Water Works Company, were available to answer any questions from the Drinking Water Board.

Randy Preece and Gary Allen addressed the Drinking Water Board. Goasland Spring Water Works Company has a 17,000 gallon water reservoir that was built in 1942. The problem Goasland Water Works Company has with the reservoir is that the cap on the reservoir is deteriorating. Some of the homes lack any water pressure coming into their homes.

Discussion Followed.

**Terry Beebe moved the Drinking Water Board authorize a \$378,000 construction loan to Goasland Spring Water Works Company at 0% interest for 30 years with \$59,000 in principal forgiveness, with the option to roll the balance of their \$15,000 planning loan at 0%, into the construction loan.**

**Tage Flint seconded.**

**CARRIED  
(Unanimous)**

f) Willow Creek Water Company – Jesse Johnson

Jesse Johnson reported that Willow Creek Water Company is requesting \$225,000 in funding to complete construction of a new well that will be used to blend with their existing well that is high in arsenic. A test well was drilled as a result of a planning grant authorized by the Drinking Water Board to do a study on alternate sources of water. This funding will convert the test well into a permanent source of water. This project was given a priority rating of 14.4.

Willow Creek Water Company has a local MAGI of \$43,258 which is approximately 121% of the State's MAGI. Their current water bill is about \$36.32 a month, which is 1.01% of the MAGI. Many of the water system's expenses are covered by donations and impact fees, resulting in their water bills being so low. The post-construction average water bill is projected to be \$103.14 or 2.6% of the MAGI. Therefore, the water system qualifies to be considered for principal forgiveness.

Steven Taylor, Eric Dursteler, J. Alton Veibell, representatives of Willow Creek Water Company, was available to answer any questions from the Drinking Water Board.

Discussion followed.

**Betty Naylor moved the Drinking Water Board authorize a \$225,000 construction loan representing Option # 3 with 0% for 30 years with the annual rate of 0% interest, and that the Willow Creek Water Company must resolve any issues they may have on their compliance report.**

**Heather Jackson seconded.**

**CARRIED  
(Unanimous)**

g) Cedar View Montwell SSD – Jesse Johnson

Jesse Johnson reported that at the March 2012 Drinking Water Board meeting, Cedarview-Montwell Special Service District (SSD) was awarded \$2,660,000 in financial assistance to construct approximately 97,000 feet of 8-inch and 12-inch waterlines and two 250,000 gallon storage tanks. This will allow Cedarview Montwell to connect to Roosevelt Town's Water System (PWSS 70004). Due to a limited number of connections, the loan portion of this project result in a water bill (as evaluated by staff) to be \$222.90/month. In an effort to ease the burden, CMSSD is requesting that the loan repayment schedule be restructured to have smaller payments early in the loan with the balloon payments towards the end. The proposed repayment schedule is attached as well as the original evaluation for comparison.

Charles Skewes, Horrocks Engineers, and Lars Powell, Director of Cedarview-Montwell SSD, addressed the Drinking Water Board, and were also available to answer any questions from the Drinking Water Board.

Discussion followed.

Ken Bassett mentioned that the Drinking Water Board has looked at this application at a couple of other Drinking Water Board meetings, and discussed the loan amount and the ensuing amount of the water bills and felt that the 2.43% interest is what was needed.

Ken Bassett asked the Cedarview-Montwell SSD representatives, if they have resolved their issue with the Community Impact Board.

Mr. Powell said they have resolved their issues with the Community Impact Board and this is the last step to take in coming before the Drinking Water Board today.

**Tage Flint moved that the Drinking Water Board amend the authorized construction loan of \$2,660,000 at 2.43% interest for 30 years with \$532,000 in principal forgiveness to Cedar View Montwell SSD to allow a graduated repayment schedule as outlined on the spreadsheet.**

**Russell Donoghue seconded.**

**CARRIED  
(Unanimous)**

h) Huntsville – Deauthorize – Michael Grange

Michael Grange reported that the Town of Huntsville was authorized a planning loan at the Drinking Water Board meeting on August 31, 2011. The \$45,600 loan was to conduct an engineering study to analyze water rights, storage, source, distribution, and treatment. Since that time, Huntsville Town applied for and was awarded a Multi-Year Community Development Block Grant for \$179,000 to pay for the engineering fees and replace the obsolete filter system at the treatment plant. Huntsville Town has informed the Division that they no longer need the \$45,600 planning loan for Huntsville Town.

Michael Grange reported the Financial Assistance Committee recommends that the Drinking Water Board deauthorize the \$45,600 planning loan to Huntsville.

**Paul Hansen moved the Drinking Water Board deauthorize the \$45,600 planning loan to Huntsville Town.**

**Heather Jackson seconded.**

**CARRIED  
(Unanimous)**

i) Delta City/Sherwood Water – Michael Grange

Michael Grange reported that at the May 11, 2012 the Drinking Water Board meeting (originally authorized in August 2011) the Drinking Water Board authorized a reallocation of construction funding from Sherwood Water Company to an as-yet-to-be established water improvement or special service district to be formed by Delta City to take over the functions of the Sherwood Water Company, oversee the water system improvement construction project and manage future water system needs. The Drinking Water Board's motion included an increase in funding from \$1,075,000 to \$1,751,000 to accommodate purchasing the assets of the Sherwood Water Company and an increase in project costs to cover added infrastructure construction. The Drinking Water Board's funding authorization was specifically contingent on Delta City forming the improvement district.

Michael Grange mentioned that Delta City approached staff again and asked to have the May 11, 2012 authorization amended to award the construction funding from a future water improvement district to be formed by Delta City to Delta City itself for completion of water system improvements in the Sherwood Shores area located approximately 2 miles west of Delta City. All terms, conditions, and requirements of the original August 2011 authorization and/or relocation and/or the May 2012 Reallocation shall remain in effect.

Discussion followed.

**Heather Jackson moved the Drinking Water Board authorize modifying the May 11, 2012 reallocation of construction funding from an award to a future improvement district to be formed by Delta City to Delta City itself for completion of water system improvements in the Sherwood Shores area located approximately 2 miles west of Delta City. All terms, conditions and requirements of the original August 2011 authorization and/or the May 2012 reallocation shall remain in effect, and also that the Drinking Water Board require that any ordinances need to be put in place for Delta City to be able to serve water to areas that are outside of their city limits be taken care of prior to closing their loan.**

**Russell Donoghue seconded.**

**CARRIED  
(Unanimous)**

4) Other Business – Michael Grange

No other business.

#### **ITEM NO. 6 – PROPOSED RULE CHANGES REGARDING SEWER LINES IN SOURCE PROTECTION ZONES**

a. Well Construction Rule R309-515-6(4) – Bob Hart

Bob Hart reported in an Executive Order last year, the Governor stated that during Rulemaking the fiscal and non-fiscal impacts to the state budget local government, small businesses, other identities, or persons, and the compliance costs for the affected persons should be presented to the Board as part of the approval processes.

Jim and I have both looked at this rule. We didn't see any significant costs or impacts with this rule change. The only thing that I saw in this is the added requirement, that if you have added a sewer line trench going through the source protection zone, that you put in the trench, a cut off wall so that if you have any leaking in the sewer line that it won't follow the trench in to the source protection zone. We are guessing that this would cost under \$500.00, which is minimal.

Discussion followed.

Betty Naylor made a correction to the Rule R309-515-6 Ground Water – Wells. On page 134 on the 5<sup>th</sup> line down it needs to have the word “**be**” inserted toward the end of that line. It now reads: .... (d) the sewer pipe to the manhole connections **shall made** using a shop .....

It needs to read: (d) the sewer pipe to the manhole connections **shall be made** using a shop.

b. Source Protection Rule (R309-600-13(3) – Jim Martin

Jim Martin reported that the Source Protection Rule refers to the engineering Rules. Staff has received some input from the public and the Division of Water Quality. They were concerned about how we justified restricting or managing sewers within the source protection zones. I wasn't part of developing that rule when it was done originally. But it appears as if they have used the logic of septic systems on sewer lines. It is really not justifiable, because sewer lines are very different than septic systems. In discussions with the Division of Water Quality, and review of how other states have dealt with sewers in source protection zones we came up with a modification of the rule. It's more justifiable. There is documentation backing what we are actually doing. And in conjunction with the change in R309-600-13-3, which refers to the engineering rules, we also worked with the Division of Water Quality to tighten up the construction requirements within the source protection zones, so that they meet more closely and make more sense relative to the construction of sewers.

**Ken Bassett moved the Drinking Water Board authorize staff to start the rulemaking process, and file the proposed rule amendments for publication in the Utah Bulletin.**

**David Stevens seconded.**

**CARRIED  
(Unanimous)**

**ITEM NO. 8 – RURAL WATER ASSOCIATION OF UTAH'S REPORT**

Dale Pierson updated the Drinking Water Board on the Rural Water's activities in helping out the residents who have been affected by the fires this summer. Rural Water has been looking for emergency generators for water systems where power has had to be turned off. Evacuations have been a large concern. There were quite a few different areas that we were able to help out with. There will be some emergency funding needs for the communities that have had losses on their water systems.

Dale Pierson mentioned that Rural Water will be having their first training for water systems on Private Non-Profit Water Systems next week.

**ITEM NO. 9 – CHAIRMAN'S REPORT**

Chairman Hansen mentioned that there is a Drinking Water Board Roster for each Board member to review their own information. If there are any changes, please let Linda know so she can update the roster.

ITEM NO. 10 – DIRECTORS REPORT

a) New DDW Staff

Rules Section:

Ken Bousfield mentioned J.J. Trussell was moved up in to a new position in the Rules Section as an Environmental Scientist. This left his old position open.

Jennifer Yee applied for and was hired to take J.J.'s old position of an Environmental Program Coordinator.

Engineering Section:

Ken Bousfield mentioned there are 2 Env. Engineers that are both on indefinite leave: One is on medical leave and the other one is on military leave.

A temporary Environmental Engineer will be starting on July 23, 2012.

ITEM NO. 11 – NEXT BOARD MEETING

Chairman Hansen reported the next Drinking Water Board meeting would be held on August, 28, 2012 at 1:00 p.m. in Salt Lake City, Utah.

ITEM NO. 12 – OTHER

No other business.

ITEM NO. 13 – ADJOURN

Chairman Hansen stated a motion to adjourn the Drinking Water Board meeting was in order.

**Russ Donoghue moved to adjourn the Drinking Water Board meeting at 2:55 p.m.**

**Betty Naylor seconded.**

**CARRIED  
(Unanimous)**

Linda Matulich  
Recording Secretary

4.b. SEPTEMBER 6, 2012  
MINUTES



State of Utah

GARY R. HERBERT  
*Governor*

GREG BELL  
*Lieutenant Governor*

Department of  
Environmental Quality

Amanda Smith  
*Executive Director*

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Kenneth H. Bousfield, P.E.  
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**Drinking Water Board**

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James Webb  
Kenneth H. Bousfield, P.E.  
*Executive Secretary*

MINUTES OF THE DRINKING WATER BOARD TELECONFERENCE MEETING HELD  
ON SEPTEMBER 6, 2011 IN SALT LAKE CITY, UTAH

Board Members Present

Ken Bassett, Vice Chairman  
Terry Beebe  
Russell Donoghue  
Danny Fleming  
Tage Flint  
Heather Jackson  
Betty Naylor  
David Stevens  
James Webb

Board Members Excused

Paul Hansen, Chairman  
Amanda Smith

Guests

Travis Blackburn, Axtell SSD  
Eric Franson, Franson Civil Engineers  
Ken Clark, Delta City

Staff Present

Ken Bousfield  
Michael Grange  
Heather Bobb  
Linda Matulich

ITEM NO. 1 – CALL TO ORDER

The Drinking Water Board convened at 11:00 a.m. in Salt Lake City, Utah with Vice Chairman Bassett presiding.

ITEM NO. 2 – ROLL CALL

Vice Chairman Bassett mentioned that Paul Hansen and Amanda Smith asked to be excused from the Drinking Water Board meeting today.

Vice Chairman Bassett asked Ken Bousfield to call roll of the Drinking Water Board Members.

The roll call showed there were 9 members present.

ITEM NO. 3 – INTRODUCTIONS

Vice Chairman Bassett welcomed the guests, and asked them to introduce themselves.

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## ITEM NO. 4 – APPROVAL OF THE MINUTES OF JULY 13, 2012

The July 13, 2012 Drinking Water Board minutes will be available at the November 9, 2012 Drinking Water Board meeting for approval.

## ITEM NO. 5 – FINANCIAL ASSISTANCE COMMITTEE REPORT

### 1) Status Report

Michael Grange reported the State Loan Funds has roughly \$1,000,000 in the account right with which to fund state projects. Staff is expecting approximately over \$7,000,000 over the next 12 months. By this time next year, we expect to have \$8.1 million to put towards State projects. That amount takes into account the \$1.5 million that we will be using for our state match for the FY 2013 federal capitalization grant. We will have a good amount of money to fund some state projects.

The next page shows projects that are currently out there. We have a few that are waiting to be closed. Some planning grants have been authorized recently. There are some proposed projects that will go before the Drinking Water Board today.

The third page shows another breakout of \$8 million by August 1, 2013.

Michael Grange reported right now we have in the Federal Loan Funds just over \$6 million available to use. We are expecting roughly \$7.5 million in capitalization grants for 2013. As of right now, that is our best estimate of what may happen. There is no firm number, yet. We don't expect to hear for another two months. Given that estimate, including our repayment streams, it looks like we will have almost \$22 million in federal funds between now and August 1, 2013 for federal projects.

Starting in October we can breathe a little easier, we can figure out where we are at and how much we will have for principle forgiveness for the coming year. Overall, our funds are healthy.

The next two pages show the breakdown of where we are at. We have a number of authorized projects that are scheduled to be closed in September or October. We are working with those water systems to prepare them for loan closing.

### 2) SRF Applications

#### STATE FUNDS

##### a) Axtell Community Service District – Julie Cobleigh

Michael Grange mentioned that Julie Cobleigh is doing a sanitary survey today, and he will be presenting Axtell's request.

Travis Blackburn, representing Axtell Special Service District, was available to answer any questions that the Drinking Water Board may have for him.

Their spring transmission line crosses 5 natural drainage washes and is in jeopardy of imminent failure during storm events. They will use this money to stabilize that transmission line and reduce the prospect of failure. They will also be installing fire hydrants on their system.

Their local MAGI is \$29,616 which is 80% of the State MAGI. Their current average monthly water bill is \$62.62 per month per connection. This includes the \$25 a month for their irrigation bill.

Michael Grange mention that based on the information that we have, Axtell Community Special Service District is considered a disadvantage community and does qualify for additional subsidization. Staff looked at a number of different scenarios.

Michael Grange commented that the Financial Assistance Committee recommends the Drinking Water Board authorize a \$153,700 construction loan to Axtell Community Special Service District at 2.72% for 20 years with \$30,700 in principal forgiveness.

Michael Grange mentioned that Julie Cobleigh will look at the financial evaluation and determine if a graduated repayment schedule is feasible.

Discussion followed.

**Tage Flint moved the Drinking Water Board authorize a \$153,700 construction loan to Axtell Community Special Service District at 2.71% interest per year for 20 years with \$30,700 in principal forgiveness, a graduated repayment schedule that allows balloon payments toward the end of the repayment period, and that is satisfactory and consistent with repayment schedules the Drinking Water Board has previously authorized, that would be appropriate for this project and in an amount that the Board is comfortable with.**

Discussion on motion.

**Danny Fleming seconded.**

**CARRIED  
(Unanimous)**

3) Other Business – Michael Grange

No other business.

#### ITEM NO. 6 – LETTERS – Zion View Estates

Michael Grange mentioned he doesn't have any comments on the Zion View Estates letter. The letter is in reference to an article that was printed in the Salt Lake Tribune: "Utah Legislator rips D.C. while raking in federal cash, reported by Judy Fahys.

Michael Grange mentioned the letter goes along with what he and Ken Bousfield had discussed briefly after they saw the article in the Salt Lake Tribune. Michael said he had some questions about some information presented in the article. Michael said that he and Ken decided that they wouldn't officially respond to the article, and that Chairman Hansen was going to discuss the article with the Drinking Water Board members.

ITEM NO. 7 – NEXT BOARD MEETING

Vice Chairman Bassett reported the next Drinking Water Board meeting will be held on November 9, 2012 at 1:00 p.m. in Salt Lake City, Utah.

ITEM NO. 8 – OTHER

No other business.

ITEM NO. 9 – ADJOURN

Vice Chairman Bassett stated a motion to adjourn the Drinking Water Board meeting was in order.

**Betty Naylor moved to adjourn the Drinking Water Board meeting at 11:25 a.m.**

**Heather Jackson seconded.**

**CARRIED  
(Unanimous)**

Linda Matulich  
Recording Secretary

AGENDA ITEM 5

FINANCIAL ASSISTANCE COMMITTEE  
REPORT

## 5. FINANCIAL ASSISTANCE COMMITTEE

### 1) STATUS REPORT – Michael Grange

DIVISION OF DRINKING WATER  
**STATE LOAN FUNDS**  
 AS OF September 30, 2012

SUMMARY		
	Total State Fund:	\$5,205,896
	Total State Hardship Fund:	\$1,214,926
	Subtotal:	\$6,420,822
<b>LESS AUTHORIZED</b>	Less:	
	Authorized Loans & Closed loans in construction:	\$3,223,000
	Authorized Hardship:	\$1,345,395
	Subtotal:	\$4,568,395
	<b>Total available after Authorized deducted</b>	<b>\$1,852,427</b>
<b>PROPOSED</b>	Proposed Loan Project(s):	\$0
	Proposed Hardship Project(s):	\$0
	Subtotal:	\$0
<b>AS OF:</b>		
September 30, 2012	<b>TOTAL REMAINING STATE LOAN FUNDS:</b>	<b>\$1,982,896</b>
	<b>TOTAL REMAINING STATE HARDSHIP FUNDS:</b>	<b>-\$130,469</b>

(see Page 2 for details)

(see Page 2 for details)

Total Balance of ALL Funds: **\$1,852,427**

Projected Receipts Next Twelve Months: and Sales Tax Revenue	
Annual Maximum Sales Tax Projection	\$3,587,500
Less State Match for 2013 Federal Grant	(\$1,600,000)
Less Administration Fees	(\$140,200)
<b>SUBTOTAL Sales Tax Revenue including adjustments:</b>	<b>\$1,847,300</b>
Payment:	
Interest on Investments (Both Loan and Hardship Accounts)	\$60,000
Principal payments	\$4,158,734
Interest payments	\$889,147
Total Projections:	\$6,955,181

Receive 80% in January

Total Estimated State SRF Funds Available through 10-01-2013	<b>\$8,807,608</b>
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**DIVISION OF DRINKING WATER**  
**STATE LOAN FUNDS**  
**PROJECTS AUTHORIZED BUT NOT YET CLOSED**  
**AS OF September 30, 2012**

Page 27 of 110

Community	Loan #	Cost Estimate	Date Authorized	Date Closed/Anticipated	Authorized Funding		
					Loan	Grant	Total
							0
Parowan 3.28% int, 20 yrs	3S161	295,960	Jul-11		660,000		660,000
Bicknell 1.50% 20 yrs	3S159	740,000	May-12		552,000	138,000	690,000
Delta SSD (Sherwood Wtr)	????	1,751,000	May-12		624,000	1,127,000	1,751,000
Summit Co Ser Area #3 1.91% 20 yr	3S175	70,000	Jul-12		70,000		70,000
Axtell Community SSD 2.71%, 20 yr	3S174	153,700	Sep-12		123,000	30,700	153,700
							0
Subtotal Loans and Grants Authorized					2,029,000	1,295,700	3,324,700
<b>PLANNING LOANS / GRANTS IN PROCESS</b>							
Eureka Planning Loan	3S172P	40,000	Jul-12		40,000		40,000
Mexican Hat Planning grant	3S144P	20,000	May-10			20,000	20,000
					40,000	20,000	60,000
<b>CLOSED LOANS (partially disbursed)</b>							
Eureka grt Well & pump house repair	3S141	68,934	May-10	Oct-10		29,695	29,695
Payson, 3.46% int, 20 yrs	3S170	3,404,000	Nov-11	Apr-12	1,154,000		1,154,000
							0
							0
Subtotal Planning Loans/Grants Auth					1,154,000	29,695	1,183,695
<b>Total authorized but not yet funded</b>					<b>\$3,223,000</b>	<b>\$1,345,395</b>	<b>\$4,568,395</b>
<b>PROPOSED PROJECTS</b>							
						0	0
						0	0
						0	0
							0
<b>Total Proposed Projects</b>					<b>0</b>	<b>0</b>	<b>0</b>

DIVISION OF DRINKING WATER			
STATE LOAN FUNDS			
AS OF September 30, 2012			
	5235	5240	
	Loan	Interest	
	Funds	(use for Grants)	Total
Cash:	\$5,205,896	\$1,214,926	\$6,420,822
Less:			
Loans & Grants authorized but not yet closed (schedule attached)	(2,069,000.00)	(1,315,700.00)	(3,384,700.00)
Loans & Grants closed but not fully disbursed (schedule attached)	(1,154,000.00)	(29,695.02)	(1,183,695.02)
Proposed loans & grants	0.00	0.00	0.00
Administrative quarterly charge for entire year	(140,200.00)		(140,200.00)
FY 2013 Federal SRF 20% match of \$8,000,000	(1,600,000.00)		(1,600,000.00)
FY 2014 Federal SRF 20% match of \$8,000,000	0.00		0.00
	<b>242,695.82</b>	<b>(130,468.70)</b>	<b>112,227.12</b>
Projected repayments during the next twelve months			
Thru 10-01-2013			
Principal	4,158,734.31		4,158,734.31
Interest		889,146.73	889,146.73
Projected annual investment earnings on invested cash balance		60,000.00	60,000.00
Sales Tax allocation thru Oct-01-2013	3,587,500.00		3,587,500.00
<b>Total</b>	<b>\$7,988,930</b>	<b>\$818,678</b>	<b>\$8,807,608</b>
* All interest is added to the Hardship Fee account.			

## DIVISION OF DRINKING WATER

**FEDERAL SRF**

AS OF September 30, 2012

FIRST ROUND FUND		FEDERAL SECOND ROUND FUND		
1997 thru 2012 SRF Grants		Principal Repayments	Earnings on Invested Cash Balance	Hardship Fund
Net Federal SRF Grants:	\$131,591,231	Principle (P):	\$20,069,672	Total: <b>\$1,885,652</b>
Total State Matches:	\$28,010,300	Interest (I):	\$6,232,512	
Closed Loans:	-\$151,854,894	<b>Total P &amp; I:</b>	<b>\$26,302,185</b>	
<b>Total Grant Dollars:</b>	<b>\$7,746,637</b>			

SUMMARY		
	Total Federal State Revolving Fund:	\$35,256,038
	Total Federal Hardship Fund:	\$1,885,652
	Subtotal:	\$37,141,691
<b>LESS AUTHORIZED &amp; PARTIALLY DISBURSED</b>	Less:	
	Authorized & Partially Disbursed Closed Loans:	\$29,764,835
	Authorized Federal Hardship:	\$141,856
	Subtotal:	\$29,906,691
<b>PROPOSED</b>	Proposed Federal Project(s):	\$5,666,595
	Proposed Federal Hardship Project(s):	\$0
	Subtotal:	\$5,666,595
AS OF:	<b>TOTAL REMAINING LOAN FUNDS:</b>	<b>-\$175,392</b>
September 30, 2012	<b>TOTAL REMAINING HARDSHIP FUNDS:</b>	<b>\$1,743,796</b>

Total Balance of ALL Funds after deducting proposed actions: **\$1,568,404**

Projected Receipts thru October 1, 2013		
		\$0
		\$0
2013 Fed SRF Grant & State Match for 2013		\$7,722,000
Interest on Investments		\$230,400
Principal Payments		\$5,551,518
Interest		\$1,481,844
Hardship & Technical Assistance fees		\$541,550
Total:		\$15,527,312

Receive 60% in January

Total Estimated Federal SRF Funds Available through: 10/1/2013 **\$17,095,717**

DIVISION OF DRINKING WATER  
FEDERAL STATE REVIVING FUND

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PROJECTS AUTHORIZED BUT NOT YET CLOSED  
AS OF September 30, 2012

COMMUNITY	Project			Authorized Date	Closing Date Scheduled	Authorized From Loan Funds (1st or 2nd Round)			Hardship Fund
	Total Project	Terms	Loan #			Loan	Forgiveness	Total	
Shiloah Wells Water Co	25,000	2.61% loan	3F151	May-10				0	25,000
Big Plains Water & Sewer/Apple Vly	6,350,000	0% int, 30 yrs	3F117	Mar-12	Sep-12	2,540,000	538,000	3,078,000	25,300
Duchesne County	22,000,000	2.47% int 30 yrs 1.6M pf	3F142	Mar-10	hold	2,400,000	1,600,000	4,000,000	
Ogden	8,000,000	2.26% , 20 yrs	3F157	Sep-10	Nov-12	4,000,000		4,000,000	
Freemont Waterworks	425,000	3.88% , 20 yrs	3F174	Jul-11	???	425,000		425,000	
Veyo Culinary Water Assn	2,171,000	2% , 30 yr (roll \$50,650 pl), 662K pf	3F086	Nov-11	Oct-12	560,000	662,000	1,222,000	
Skyline Mountain SSD	3,102,000	2.5% , 30 yrs	3F186	Jan-12	Dec-12	2,407,000	600,000	3,007,000	
Cedarview Montwell SSD	5,887,867	2.43% int, 30 yrs	3F188	Mar-12	Sep-13	2,128,000	532,000	2,660,000	
Herriman	8,375,000	2.25% hgf, 20 yrs	3F194	Mar-12	Nov-12	4,682,000		4,682,000	
Elberta Water Co	1,640,535	0% int, 30 yrs (18K pl loan to roll)	3F198	Jul-12		1,319,000	339,535	1,658,535	
Goasland Spring WWC	393,000	0% int, 30 yrs (15K pl loan to roll)	3F195	Jul-12		319,000	59,000	378,000	
Lake Rockport Estate	404,000	4.26% , 20 yrs	3F199	Jul-12		404,000		404,000	
Willow Creek Wtr Co	225,000	0% int, 30 yr	3F200	Jul-12		225,000		225,000	
Wooden Shoe Water	201,000	1% , 30 yr	3F197	Jul-12		201,000		201,000	
								0	
								0	
								0	
TOTAL CONSTRUCTION AUTHORIZED:						\$ 21,610,000	\$ 4,330,535	\$ 25,940,535	\$ 50,300
COMMITTED PLANNING ADVANCES / AGREEMENTS or PARTIALLY DISBURSED CLOSED 2ND ROUND AGREEMENTS:									
					Date Closed				
Pine Meadow Mutual Water Co	3,068,000	3.0% int, 30 yrs (refi \$3,101,000 3F058)	3F170	May-11	Sep-11	2,068,000		2,068,000	0
Croydon Pipeline Co	840,000	0%, 30 yrs	3F145	Aug-10	Oct-11	160,000	126,000	286,000	0
Boulder Farmstead Water Co.	765,300	100% principle forgiveness	3F129	Nov-09	Mar-12		145,300	145,300	0
Kane Co-Zion View	1,400,000	4.71% int, 30 yrs	3F185	Mar-12	Jul-12	1,325,000		1,325,000	
Gunnison City	38,000	0% pl grant	3F202P	Jul-12	Aug-12				38,000
Rural Water Assn of UT 2012	124,758	Invoices thru June 2012	Ongoing	Nov-11	Dec-11				53,556
TOTAL PLANNING AUTHORIZED:						\$3,553,000	\$271,300	\$3,824,300	\$91,556
TOTAL CONSTRUCTION & PLANNING:								\$29,764,835	\$141,856
AVAILABLE PROJECT FUNDS:									\$5,491,203
AVAILABLE HARDSHIP FUNDS:									\$1,743,796
PROPOSED PROJECTS FOR NOV 2012:									
Ogden City	5,000,000		3F204			5,000,000		5,000,000	
Mendon City	666,595					666,595		666,595	
TOTAL PROPOSED PROJECTS FOR THIS MEETING:						\$5,666,595	\$0	\$5,666,595	\$0
*RWau hardship grant is being disbursed monthly									
TOTAL FUNDS AFTER PROPOSED PROJECTS ARE FUNDED:									-\$175,392
TOTAL FUNDS AFTER PROPOSED HS PROJECTS ARE FUNDED:									\$1,743,796
NOTES OF LOAN CLOSINGS SINCE LAST BOARD MEETING:									
Nordic Mountain Water Company	535,581	1% int, 20 yrs	3F183	Nov-11	Jul-12	429,000	106,581	535,581	
Kane Co. - Zion View	11,315,000	4.71% int, 30 yrs	3F185	Mar-12	Jul-12	1,400,000		1,400,000	
American Fork	1,000,000	2.69% int, 20 yrs	3F162	Nov-10	Jul-12	800,000	200,000	1,000,000	
								0	
Total Recent Loan Closings						\$2,200,000	\$200,000	\$2,400,000	\$0

DIVISION OF DRINKING WATER					
FEDERAL SRF LOAN FUNDS					
AS OF September 30, 2012					
	Loan Funds 1st Round	Loan Payments		Hardship Fund	TOTAL
		2nd Round Principal	Interest		
Federal Capitalization Grants and State 20% match thru 2012	\$159,601,531				
Earnings on Invested 1st Round Funds			1,207,217		
Repayments (including interest earnings on 2nd round receipts)		20,069,672	6,232,512	1,885,652	188,996,585
Less:					
Closed loans and grants	-151,854,894				-151,854,894
<b>SUBTOTAL of Funds Available</b>	<b>\$7,746,637</b>	<b>\$20,069,672</b>	<b>\$7,439,729</b>	<b>\$1,885,652</b>	<b>\$37,141,691</b>
Loans & Grants authorized but not yet closed or fully disbursed	-23,160,535	-6,333,000	-271,300	-141,856	-29,906,691
<b>SUBTOTAL of Funds Available less Authorized</b>	<b>-\$15,413,898</b>	<b>\$13,736,672</b>	<b>\$7,168,429</b>	<b>\$1,743,796</b>	<b>\$7,234,999</b>
Future Estimates:					
Proposed Loans/Grants for current board package	-5,666,595			0	-5,666,595
<b>SUBTOTAL of Funds Available less Proposed Loans &amp; Grants</b>	<b>-\$21,080,493</b>	<b>\$13,736,672</b>	<b>\$7,168,429</b>	<b>\$1,743,796</b>	<b>\$1,568,404</b>
PROJECTIONS THRU October-2013					
2013 Grant proceeds estimate (inc state match)	7,722,000				
Grant \$7,800,000 less set-asides	0				
	0				
Projected repayments & revenue during the next twelve months		5,551,518	1,481,844	541,550	7,574,912
Projected annual investment earnings on invested cash balance		168,000	48,000	14,400	230,400
<b>TOTAL</b>	<b>-\$13,358,493</b>	<b>\$19,456,190</b>	<b>\$8,698,273</b>	<b>\$2,299,746</b>	<b>\$17,095,717</b>

## 5. FINANCIAL ASSISTANCE COMMITTEE

### 2) PRIORITY POINTS LIST

Project Priority List  
Presented to the Drinking Water Board  
November 9, 2012

**DRINKING WATER BOARD  
PACKET FOR PROJECT PRIORITY LIST**

**Two projects are being added to the Project Priority List:**

Mendon City is being added to the Project Priority List with 14.9 points. Their project consists of a new well, transmission lines, new telemetry and a new pump.

Ogden City is being added to the Project Priority List with 44.5 points. Their project consists of a new storage tank and waterline replacement.

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**FINANCIAL ASSISTANCE COMMITTEE RECOMMENDATION:**

**The Drinking Water Board approve the updated Project Priority List.**

## Project Priority List

**Authorized**

**Total Unmet Needs:**

**\$254,752,569**

**Total Needs, incl. Recent funding**

**\$283,143,104**

**\$192,547,090**

	date	type	%Green	Prio	System Name	County	Pop.	ProjectTitle	Project Total	Request DWB	Funds Authorized
N				125.2	Soldier Summit SSD-2nd home sub	Utah	33	waterline upgrade	\$530,303	\$530,303	
N				44.5	Ogden City	Weber	82,825	waterline replacement, new tank	\$5,000,000	\$5,000,000	
N				20.1	Green Hills	Weber	210	Connect to Eden Water and Booster Pump1	\$1,374,136	1346136	
N				19.7	Enterprise City (on hold)	Washington	1,500	replace water lines, refurbish water tank	\$987,121	\$887,121	
N				14.9	Mendon City	Cache	1,400	New well, transmission linle, telemetry	\$1,240,227	\$1,071,595	
N				10.5	North Ogden City (Hold until May)	Weber	17,357	Well Rehab	\$647,420	\$640,946	
N				9.6	Rockland Ranch	San Jaun	110	New Well	\$106,050	\$106,050	
A				75.8	Wooden Shoe Water Co.	Summit	76	Well, well house, tank	\$202,424	\$202,424	\$201,000
A				47.4	Duchesne County	Duchesne	3,585	Supply line to 3 existing districts	\$22,000,000	\$4,000,000	\$4,000,000
A				40.9	Veyo (PRIVATE)	Washington	500	New tank, waterline replacement	\$2,120,633	\$1,171,633	\$1,222,000
A				39.9	Skyline Mountain SSD	Sanpete	1,535	New well, Tank, Chlorination bldg, waterlines	\$3,101,819	\$3,006,687	\$3,007,000
A		E/W	95%	37.3	Ogden City	Weber	77,000	Waterline upgrade	\$8,460,000	8460000	\$4,000,000
A				36.5	Lake Rockport Estates	Summit	239	New Storage Tank	\$500,000	\$400,000	\$404,000
A				29.5	Elberta Water Co	Utah	141	Well equipping and transmission line	\$1,657,106	\$1,657,106	\$1,658,535
A				25.2	Big Plains Water & Sewer District	Washington	100	Consolidation of 2 private systems	\$7,341,709	\$ 3,670,854	\$3,175,000
A				19.1	Goaslind Spring	Cache	50	Spring redevelopment, tank, waterline, chlorination	\$1,089,899	\$1,089,899	\$378,000
A				16.6	Cedarview-Montwell	Duchesne	1,453	Waterlines and 2 Storage Tanks	\$5,914,425	\$2,655,800	\$2,660,000
A				14.6	Sherwood Water Co	Millard	319	consecutive connection to Delta	\$1,085,750	\$1,085,750	\$1,075,000
A				11.1	Fremont Waterworks Co.	Wayne	600	spring redevelopment, pipeline, fir ehhydrants	\$425,000	\$425,000	\$425,000
A				10.3	Willow Creek Water Company	Box Elder	60	New Well	\$195,455	\$195,455	\$225,000
A				8.9	Herriman	Salt Lake	24,000	New 3 MG tank and pump station	\$8,325,000	\$5,000,000	\$4,682,000

**N = New Application**

**E= Energy Efficiency**

**A = Authorized**

**W= Water Efficiency**

**P = Potential Project- no application**

**G= Green Infrastructure**

I= Environmentally Innovative

## GREEN PROJECTS

<b>A</b>	<b>E/W</b>	<b>100%</b>	<b>NA</b>	Mountain Regional SSD	Summit	6,400	SCADA, well improvements, chlorinator	\$1,277,778	\$1,277,778	\$1,278,000
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## EMERGENCY FUNDING

[illegible]

## Project Priority List

Authorized

Total Unmet Needs:

\$254,752,569

Total Needs, incl. Recent funding

\$283,143,104

\$192,547,090

	date	type	%Green	Priority Points	System Name	County	Pop.	ProjectTitle	Project Total	Request DWB	Funds Authorized
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### POTENTIAL PROJECTS

P				36.4	Santa Clara (on hold)	Washington	8,000	Waterline upgrades	\$6,419,202	\$6,354,202	
P				35.0	CUWCD-Utah Valley	Utah		Treatment plant upgrades	\$39,369,500	\$36,950,000	
P				24.4	Jordan Valley WCD	Salt Lake	82,500	Treatment	\$3,200,000		
P				20.0	Pinon Forest	Duchesne	n/a	New system- residents haul water	\$21,247,000		
P				17.9	Wendover	Tooele	1,600	Waterline upgrades	\$833,000		
P				17.5	Draper City	Salt Lake	15,000	Storage and distribution upgrades	\$35,789,000		
P				17.1	East Zion SSD	Kane	49	waterline	\$128,876	\$128,876	
P				16.4	Eastland SSD	San Juan	60	New well for back up purposes	\$500,000		
P				16.4	Neola	Duchesne	840	Waterline upgrades, storage, source improvements	\$3,607,592	\$3,607,592	
P				15.3	Newton Town	Cache	799	Spring rehabilitation, waterline upgrades	\$1,581,500		
P				15.3	South Rim Water	Tooele	264	Well equipment and house, new tank	\$600,000		
P				15.2	Midvalley Estates Water Company	Iron	700	Source, storage, distribution	\$500,000		
P				15.1	Syracuse	Davis	25,200	Waterline upgrades	\$1,589,756	\$1,589,756	
P				14.7	Central Waterworks Co.	Sevier	450	Storage and distribution upgrades	\$1,400,000		
P				14.0	Herriman	Salt Lake	18,431	Booster Pump, waterline	\$2,050,000		
P				13.7	Cornish Town	Cache	300	Connect to Lewiston, rehab well	\$1,226,263		
P				13.7	Morgan City	Morgan	3,250	Waterline upgrades	\$692,026		
P				13.5	Riverdale	Weber	8,200	New well and tank, waterline upgrades	\$2,050,000		
P				13.3	Richfield City	Sevier	7,111	System repairs	\$2,722,000		
P				13.0	Uintah City	Weber	1,300	Treatment	\$1,063,000		
P				12.8	Centerfield	Sanpete	1,200	New tank, upgrade waterlines	\$3,600,000		
P				12.6	Enterprise	Washington	1,500	New tank, upgrade waterlines	\$1,917,100		
P				12.6	Price River	Carbon	7,659	New tank, waterlines, treatment	\$2,750,000		
P				11.6	Manila Culinary Water Co.	Utah	2,450	Treatment and waterline upgrades	\$700,000		
P				11.6	Jordan Valley WCD	Salt Lake	82,500	Flouride facility, well equipping	\$3,694,000	\$2,000,000	
P				11.4	Pineview West Water Company	Weber	115	Telemetry system	\$25,000		
P				11.4	North Ogden City	Weber	15,000	Waterline upgrades	\$746,000	\$746,000	
P				11.3	Farmington	Davis	15,000	New well, new tank, waterline replacement	\$2,830,000		
P				10.7	Ogden City	Weber	77,000	Source rehabilitation, treatment plant upgrades	\$26,500,000		
P				10.7	High Valley Water Company	Summit	850	Waterline upgrades	\$1,000,000		
P				10.3	City of Monticello	San Juan	2,000	Storage and distribution upgrades	\$1,200,000		
P				9.8	Gorgoza	Summit	4,200	Waterline upgrades	\$1,000,000		
P				9.7	Moutain Regional SSD	Summit	6,700	Transmission line	\$600,000		

## Project Priority List

					October 11, 2012		Utah Federal SRF Program					Page 36 of 110		
				Priority Points	Project Priority List									
					Total Unmet Needs:		\$254,752,569		Total Needs, incl. Recent funding		\$283,143,104		Authorized	
					System Name		County	Pop.	ProjectTitle		Project Total	Request DWB	Funds Authorized	
P				9.7	Benson Culinary Water District	Cache	743	New tank, waterline replacement		\$500,000				
P				9.3	Mapleton City	Utah	7,300	Replace distribution lines		\$15,339,560				
P				9.2	Greendale Water Co.	Daggett	500	Treatment system		\$800,000				
P				9.1	Center Creek	Wasatch	200	Pump house and pump		\$80,000				
P				8.4	Nibley City	Cache	4,300	New tank		\$1,270,355				
P				8.3	Hurricane	Washington	8,000	Waterline replacement and new tank		\$5,047,899				
P				7.6	Harmony Farms Water User Assoc.	Washington	300	Waterline Replacement		\$3,000				
P				6.8	Hooper Water Improvement District	Weber	16,520	Storage, waterlines, treatment		\$2,887,000				
P				6.7	Centerville City	Davis	16,000	Replacement well, waterline upgrades		\$2,965,000				
P				6.1	Marble Hill Water Company	Box Elder	250	New storage tank		\$225,000				
P				4.5	Peterson Pipeline Association	Morgan	450	Source, storage, distribution		\$1,700,000				
P				4.5	Perry City	Box Elder	4,603	Source, storage, distribution		\$4,782,220				
P				3.9	Wolf Creek Country Club	Weber	2,000	Waterline		\$180,000				
P				3.4	Highland City	Utah	15,066	New well houses		\$650,000				

## 5. FINANCIAL ASSISTANCE COMMITTEE

### 3) SRF APPLICATIONS FEDERAL FUNDS

#### a) ROCKLAND RANCH – Gary Kobzeff

Rockland Ranch  
Presented to the Drinking Water Board  
November 9, 2012

**DRINKING WATER BOARD**  
**BOARD PACKET FOR CONSTRUCTION LOAN**

**APPLICANT'S REQUEST:**

Rockland Ranch is requesting a construction loan in the amount of \$206,000 to construct a new 6-inch diameter well. Currently, the applicant does not have an approved source of water. The applicant would also like to roll an \$8,500 planning loan into the loan amount bringing the total requested to \$214,500.

**STAFF COMMENTS:**

Rockland Ranch has a local MAGI of \$28,971, which is approximately 79% of the State's MAGI; therefore Rockland Ranch water system qualifies for principal forgiveness. The Town's current water bill is approximately \$18.75 per month, 0.78% of MAGI. The water system has 16 connections. A 30-year loan in the amount of \$214,500 at 0% interest, with \$64,500 in principal forgiveness would allow Rockland Ranch to maintain a monthly water bill of \$53.39 at 2.21% of local MAGI.

**FINANCIAL ASSISTANCE COMMITTEE RECOMENDATION:**

**The Drinking Water Board authorize a \$214,500 construction loan to Rockland Ranch with 0% interest per annum for 30-years, and \$64,500 in principal forgiveness with the condition that they resolve all issues on their compliance report.**

**APPLICANT'S LOCATION:**

Rockland Ranch is located approximately half way between La Sal and Monticello in San Juan County.

**MAP OF APPLICANT'S LOCATION:**



**SCOPE OF WORK:**

Currently Rockland Ranch does not have an approved source. This project would correct that deficiency by constructing a 6-inch diameter well. Rockland Ranch is currently under a Compliance Agreement with the Division of Drinking Water. In order for this project to be funded all the requirements in the Compliance Agreement must be fulfilled. The Compliance Agreement is included in this packet.

**POPULATION GROWTH:**

	<u>Year</u>	<u>Population</u>	<u>Connections</u>
Current:	2012	111	16

There is no population projection for Rockland Ranch water system.

**IMPLEMENTATION SCHEDULE:**

SRF Committee Conference Call:	Oct 3, 2012
DWB Funding Authorization:	Nov 9, 2012
Loan Closing:	Feb 15, 2013
Begin Construction:	Feb 16, 2013
Complete Construction:	Mar 16, 2013

**COST ESTIMATE:**

Engineering-Source Protection Plan	\$5,500
Engineering-Environmental Study	\$12,000
Engineering-Design & Specs	\$24,000
Engineering-Const. Admin. & Observation	\$3,500
Engineering-Electrical	\$2,000
Engineering- Survey	\$2,500
Construction-Well Development	\$104,832
Construction-Well Equipping	\$41,700
Attorney Fees	\$8,000
Planning Loan	\$8,500
SUBTOTAL	212,532
Contingency	1,968
TOTAL	\$214,500

**COST ALLOCATION:**

The cost allocation proposed for the project is shown below.

<u>Funding Source</u>	<u>Cost Sharing</u>	<u>Percent of Project</u>
DWB Loan:	\$150,000	70%
DWB Principal forgiveness:	\$64,500	30%
Total Amount:	\$214,500	100%

APPLICANT:

Rockland Ranch Water System  
P.O. Box 72  
Monticello, Utah 84535

PRESIDING OFFICIAL &  
CONTACT PERSON:

Gordon Beh, System Manager  
P.O. Box 72  
Monticello, Utah 84535  
Telephone: 435-260-8367  
Email: Gordon@larsco.com

TREASURER/RECORDER:

Cary Knecht  
Telephone: 435-840-8117  
Email: anna.knecht@yahoo.com

CONSULTING ENGINEER:

Lane Peirce P.E.  
Sunrise Engineering  
12227 South Business Park Drive, Suite 220  
Draper, Utah, 84020  
Telephone: 801-523-0100  
Email: dtorgersen@sunrise-eng.com

## DRINKING WATER BOARD FINANCIAL ASSISTANCE EVALUATION

SYSTEM NAME: Rockland Ranch  
COUNTY: San Juan  
PROJECT DESCRIPTION: New Well

FUNDING SOURCE: Federal SRF

### 70 % Loan & 30 % P.F.

ESTIMATED POPULATION:	110	NO. OF CONNECTIONS:	16 *	SYSTEM RATING:	Not Approved
CURRENT AVG WATER BILL:	\$18.75 *			PROJECT TOTAL:	\$214,500
CURRENT % OF AGI:	0.78%	FINANCIAL PTS:	38	LOAN AMOUNT:	\$150,000
ESTIMATED MEDIAN AGI:	\$28,971			PRINC. FORGIVENESS:	\$64,500
STATE AGI:	\$36,896			TOTAL REQUEST:	\$214,500
SYSTEM % OF STATE AGI:	79%				

	@ ZERO % RATE 0%	@ RBBI MKT RATE 4.73%		AFTER REPAYMENT PENALTY & POINTS 0.00%
<b><u>SYSTEM</u></b>				
ASSUMED LENGTH OF DEBT, YRS:	30	30		30
ASSUMED NET EFFECTIVE INT. RATE:	0.00%	4.73%		0.00%
REQUIRED DEBT SERVICE:	\$5,000.00	\$9,459.47		\$5,000.00
*PARTIAL COVERAGE (15%):	\$750.00	\$1,418.92		\$750.00
*ADD. COVERAGE AND RESERVE (10%):	\$500.00	\$945.95		\$500.00
<b>ANNUAL NEW DEBT PER CONNECTION:</b>	<b>\$390.63</b>	<b>\$739.02</b>		<b>\$390.63</b>
O & M + FUNDED DEPRECIATION:	\$4,000.00	\$4,000.00		\$4,000.00
OTHER DEBT + COVERAGE:	\$0.00	\$0.00		\$0.00
REPLACEMENT RESERVE ACCOUNT:	\$0.00	\$0.00		\$0.00
<b>ANNUAL EXPENSES PER CONNECTION:</b>	<b>\$250.00</b>	<b>\$250.00</b>		<b>\$250.00</b>
TOTAL SYSTEM EXPENSES	\$10,250.00	\$15,824.34		\$10,250.00
TAX REVENUE:	\$0.00	\$0.00		\$0.00
<b><u>RESIDENCE</u></b>				
<b>MONTHLY NEEDED WATER BILL:</b>	<b>\$53.39</b>	<b>\$82.42</b>		<b>\$53.39</b>
<b>% OF ADJUSTED GROSS INCOME:</b>	<b>2.21%</b>	<b>3.41%</b>		<b>2.21%</b>

\* Equivalent Residential Connections

**R309-700-5**

Rockland Ranch  
San Juan  
March 8, 2012

**TABLE 2**  
**FINANCIAL CONSIDERATIONS**

	POINTS	
1. COST EFFECTIVENESS RATIO (SELECT ONE)		
A. Project cost \$0 to \$500 per benefitting connection	16	
B. \$501 to \$1,500	14	
C. \$1,501 to \$2,000	11	
D. \$2,001 to \$3,000	8	
E. \$3,001 to \$5,000	4	
F. \$5,001 to \$10,000	1	
G. Over \$10,000	0	X
	\$12,875	
2. CURRENT LOCAL MEDIAN ADJUSTED GROSS INCOME (AGI) (SELECT ONE)		
A. Less than 70% of State Median AGI	19	
B. 71 to 80% of State Median AGI	16	X
C. 81 to 95% of State Median AGI	13	
D. 96 to 110% of State Median AGI	9	
E. 111 to 130% of State Median AGI	6	
E. 131 to 150% of State Median AGI	3	
F. Greater than 150% of State Median AGI	0	
	79%	
3. PROJECT FUNDING CONTRIBUTED BY APPLICANT (SELECT ONE)		
a. Greater than 25% of project funds	17	
b. 15 to 25% of project funds	14	
c. 10 to 15% of project funds	11	
c. 5 to 10% of project funds	8	
d. 2 to 5% of project funds	4	
e. Less than 2% of project funds	0	X
	0.0%	
4. ABILITY TO REPAY LOAN		
4. WATER BILL (INCLUDING TAXES) AFTER PROJECT IS BUILT RELATIVE TO LOCAL MEDIAN ADJUSTED GROSS INCOME (SELECT ONE)		
a. Greater than 2.50% of local median AGI	16	
b. 2.01 to 2.50% of local median AGI	12	X
c. 1.51 to 2.00% of local median AGI	8	
d. 1.01 to 1.50% of local median AGI	3	
e. 0 to 1.00% of local median AGI	0	
	2.21%	
5. SPECIAL INCENTIVE POINTS Applicant: (Mark all that apply)		
A. has a replacement fund receiving annual deposits of 5% of the system's drinking water budget been established, and has already accumulated a minimum of 10% of said annual DW budget in this reserve fund.	5	X
B. Has a replacement fund equal to at least 15% or 20% of annual DW budget.	5	X
C. Is creating or enhancing a regionalization plan	16	
D. Has a rate structure encouraging conservation	6	
<b>TOTAL POINTS FOR FINANCIAL NEED</b>	<b>38</b>	
<b>TOTAL POSSIBLE POINTS FOR FINANCIAL NEED</b>	<b>100</b>	

## Rockland Ranch

## PROPOSED BOND REPAYMENT SCHEDULE

70 % Loan &amp; 30 % P.F.

PRINCIPAL	\$150,000.00	ANTICIPATED CLOSING DATE	15-Feb-13
INTEREST	0.00%	P&I PAYMT DUE	15-Mar-14
TERM	30	REVENUE BOND	
NOMIN. PAYMENT	\$5,000.00	PRINC PREPAID:	\$0.00

YEAR	BEGINNING BALANCE	DATE OF PAYMENT	PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	PAYM NO.
2014	\$150,000.00		\$0.00 *	\$0.00	\$0.00	\$150,000.00	0
2015	\$150,000.00		\$5,000.00	\$5,000.00	\$0.00	\$145,000.00	1
2016	\$145,000.00		\$5,000.00	\$5,000.00	\$0.00	\$140,000.00	2
2017	\$140,000.00		\$5,000.00	\$5,000.00	\$0.00	\$135,000.00	3
2018	\$135,000.00		\$5,000.00	\$5,000.00	\$0.00	\$130,000.00	4
2019	\$130,000.00		\$5,000.00	\$5,000.00	\$0.00	\$125,000.00	5
2020	\$125,000.00		\$5,000.00	\$5,000.00	\$0.00	\$120,000.00	6
2021	\$120,000.00		\$5,000.00	\$5,000.00	\$0.00	\$115,000.00	7
2022	\$115,000.00		\$5,000.00	\$5,000.00	\$0.00	\$110,000.00	8
2023	\$110,000.00		\$5,000.00	\$5,000.00	\$0.00	\$105,000.00	9
2024	\$105,000.00		\$5,000.00	\$5,000.00	\$0.00	\$100,000.00	10
2025	\$100,000.00		\$5,000.00	\$5,000.00	\$0.00	\$95,000.00	11
2026	\$95,000.00		\$5,000.00	\$5,000.00	\$0.00	\$90,000.00	12
2027	\$90,000.00		\$5,000.00	\$5,000.00	\$0.00	\$85,000.00	13
2028	\$85,000.00		\$5,000.00	\$5,000.00	\$0.00	\$80,000.00	14
2029	\$80,000.00		\$5,000.00	\$5,000.00	\$0.00	\$75,000.00	15
2030	\$75,000.00		\$5,000.00	\$5,000.00	\$0.00	\$70,000.00	16
2031	\$70,000.00		\$5,000.00	\$5,000.00	\$0.00	\$65,000.00	17
2032	\$65,000.00		\$5,000.00	\$5,000.00	\$0.00	\$60,000.00	18
2033	\$60,000.00		\$5,000.00	\$5,000.00	\$0.00	\$55,000.00	19
2034	\$55,000.00		\$5,000.00	\$5,000.00	\$0.00	\$50,000.00	20
2035	\$50,000.00		\$5,000.00	\$5,000.00	\$0.00	\$45,000.00	21
2036	\$45,000.00		\$5,000.00	\$5,000.00	\$0.00	\$40,000.00	22
2037	\$40,000.00		\$5,000.00	\$5,000.00	\$0.00	\$35,000.00	23
2038	\$35,000.00		\$5,000.00	\$5,000.00	\$0.00	\$30,000.00	24
2039	\$30,000.00		\$5,000.00	\$5,000.00	\$0.00	\$25,000.00	25
2040	\$25,000.00		\$5,000.00	\$5,000.00	\$0.00	\$20,000.00	26
2041	\$20,000.00		\$5,000.00	\$5,000.00	\$0.00	\$15,000.00	27
2042	\$15,000.00		\$5,000.00	\$5,000.00	\$0.00	\$10,000.00	28
2043	\$10,000.00		\$5,000.00	\$5,000.00	\$0.00	\$5,000.00	29
2044	\$5,000.00		\$5,000.00	\$5,000.00	\$0.00	\$0.00	30
			\$150,000.00	\$150,000.00	\$0.00		

\*Interest Only Payment

## Rockland Ranch

### DWB Loan Terms

Local Share (total):	\$	-
Other Agency Funding:	\$	-
DWB Grant Amount:	\$	64,500
DWB Loan Amount:	\$	150,000
DWB Loan Term:		30
DWB Loan Interest:		0.00%
DWB Loan Payment:	\$	5,000

### DW Expenses (Estimated)

Proposed Facility Capital Cost:	\$	223,000
Existing Facility O&M Expense:	\$	4,000
Proposed Facility O&M Expense:	\$	4,000
O&M Inflation Factor:		1.0%
Existing Debt Service:	\$	-

### DW Revenue Sources (Projected)

Beginning Cash:	\$	-
Existing Customers (ERC):		16
Projected Growth Rate:		1.0%
Impact Fee/Connection Fee:	\$	-
Current Monthly User Charge:	\$	18.75
Needed Average Monthly User Charge:	\$	53.39

### DW Revenue Projections

Yr	Growth Rate (%)	Annual Growth (ERC)	Total Users (ERC)	User Charge Revenue	Impact Fee Revenue	Property Tax Revenue	Total Revenue	DWB Loan Repayment	DWB Loan Reserves	Remaining Principal	Principal Payment	Interest Payment	Existing DW Debt Service	O&M Expenses	Total Expenses	Debt Service Ratio
0	1.0%	0	16	3,600	-	-	3,600	-	-	150,000	-	-	-	4,000	4,000	-
1	1.0%	0	16	10,250	-	-	10,250	5,000	500	145,000	5,000	-	-	4,000	9,500	1.25
2	1.0%	0	16	10,250	-	-	10,250	5,000	500	140,000	5,000	-	-	4,040	9,540	1.24
3	1.0%	0	16	10,250	-	-	10,250	5,000	500	135,000	5,000	-	-	4,080	9,580	1.23
4	1.0%	1	17	10,891	-	-	10,891	5,000	500	130,000	5,000	-	-	4,121	9,621	1.35
5	1.0%	0	17	10,891	-	-	10,891	5,000	500	125,000	5,000	-	-	4,162	9,662	1.35
6	1.0%	0	17	10,891	-	-	10,891	5,000	500	120,000	5,000	-	-	4,204	9,704	1.34
7	1.0%	0	17	10,891	-	-	10,891	5,000	500	115,000	5,000	-	-	4,246	9,746	1.33
8	1.0%	0	17	10,891	-	-	10,891	5,000	500	110,000	5,000	-	-	4,289	9,789	1.32
9	1.0%	0	17	10,891	-	-	10,891	5,000	500	105,000	5,000	-	-	4,331	9,831	1.31
10	1.0%	1	18	11,531	-	-	11,531	5,000	500	100,000	5,000	-	-	4,375	9,875	1.43
11	1.0%	0	18	11,531	-	-	11,531	5,000		95,000	5,000	-	-	4,418	9,418	1.42
12	1.0%	0	18	11,531	-	-	11,531	5,000		90,000	5,000	-	-	4,463	9,463	1.41
13	1.0%	0	18	11,531	-	-	11,531	5,000		85,000	5,000	-	-	4,507	9,507	1.40
14	1.0%	0	18	11,531	-	-	11,531	5,000		80,000	5,000	-	-	4,552	9,552	1.40
15	1.0%	1	19	12,172	-	-	12,172	5,000		75,000	5,000	-	-	4,598	9,598	1.51
16	1.0%	0	19	12,172	-	-	12,172	5,000		70,000	5,000	-	-	4,644	9,644	1.51
17	1.0%	0	19	12,172	-	-	12,172	5,000		65,000	5,000	-	-	4,690	9,690	1.50
18	1.0%	0	19	12,172	-	-	12,172	5,000		60,000	5,000	-	-	4,737	9,737	1.49
19	1.0%	0	19	12,172	-	-	12,172	5,000		55,000	5,000	-	-	4,785	9,785	1.48
20	1.0%	1	20	12,813	-	-	12,813	5,000		50,000	5,000	-	-	4,832	9,832	1.60
21	1.0%	0	20	12,813	-	-	12,813	5,000		45,000	5,000	-	-	4,881	9,881	1.59
22	1.0%	0	20	12,813	-	-	12,813	5,000		40,000	5,000	-	-	4,930	9,930	1.58
23	1.0%	0	20	12,813	-	-	12,813	5,000		35,000	5,000	-	-	4,979	9,979	1.57
24	1.0%	0	20	12,813	-	-	12,813	5,000		30,000	5,000	-	-	5,029	10,029	1.56
25	1.0%	1	21	13,453	-	-	13,453	5,000		25,000	5,000	-	-	5,079	10,079	1.67
26	1.0%	0	21	13,453	-	-	13,453	5,000		20,000	5,000	-	-	5,130	10,130	1.66
27	1.0%	0	21	13,453	-	-	13,453	5,000		15,000	5,000	-	-	5,181	10,181	1.65
28	1.0%	0	21	13,453	-	-	13,453	5,000		10,000	5,000	-	-	5,233	10,233	1.64
29	1.0%	0	21	13,453	-	-	13,453	5,000		5,000	5,000	-	-	5,285	10,285	1.63
30	1.0%	1	22	14,094	-	-	14,094	5,000		-	5,000	-	-	5,338	10,338	1.75
Total Paid in Debt Service =										150,000	-					

# **19077 Rockland Ranch Water System**

## **Compliance Report**

**September 24, 2012**

### **Administration:**

System lacks cross connection control local authority, public education or awareness, cross connection operator training, written records and lacks an on-going cross connection enforcement plan.

### **Operator Certification:**

No issues

### **Bacteriological Information:**

July 2012 Major Routine TCR Violation  
September 2011 MCL TCR Violation

### **Chemical Monitoring:**

2010 No RST samples  
No 3<sup>rd</sup> and 4<sup>th</sup> Qtr 2010 or 1<sup>st</sup> Qtr 2011 Radionuclides samples  
No 3<sup>rd</sup> or 4<sup>th</sup> Qtr 2010 or 1<sup>st</sup> Qtr 2011 Pesticides samples

### **Lead/Copper:**

No samples received for lead/copper

### **Consumer Confidence Report**

No 2010 CCR

### **Physical Facilities:**

WS001, Well 1:

- Pump to waste line lacks proper air gap
- Pump to waste line lacks #4 mesh non-corrod screen
- Well lacks proper sanitary seal
- Lacks a means to measure drawdown
- No smooth nosed sampling tap on discharge piping
- No check valve on discharge piping
- No pressure gauge on discharge piping
- No means to release trapped air from source pump

Storage facility has inadequate ladders or railings for ST001, ST002, ST003, ST004, ST005, and ST006

Storage facility access lacks proper gasket for ST001, ST002, ST003, ST004, ST005, and ST006

Storage facility lacks proper shoebox access for ST001, ST002, ST003, ST004, ST005, and ST006

Storage facility drain line lacks proper screen for ST001, ST002, ST003, ST004, ST005, and ST006

Storage structure missing a proper over flow for ST001, ST002, ST003, ST004, ST005, and ST006

Storage structure missing a proper air vent for ST001, ST002, ST003, ST004, ST005, and ST006

**Drinking Water Source Protection:**

System is using an unapproved source (WS001) concurred with the PER for their new well last spring, and the plans were approved. They have points for using an unapproved source (WS001) while they are working to get the approved source on line.

**Plan Review:**

Source lacks operating permit.

## 5. FINANCIAL ASSISTANCE COMMITTEE

### 3) SRF APPLICATIONS FEDERAL FUNDS

#### b) Mendon City – Nathan Hall

Presented to the Drinking Water Board  
November 9, 2012

**DRINKING WATER BOARD  
BOARD PACKET FOR CONSTRUCTION LOAN  
PRESENTED TO THE DRINKING WATER BOARD**

**APPLICANT'S REQUEST**

On September 9, 2009, the Drinking Water Board authorized a \$405,000 loan (20 years @ 4.0%) to Mendon City for the construction of two new wells. The City spent \$266,595 drilling a production well at the first location (Deep Canyon) without hitting sufficient water, then drilled several test wells, finally hitting sufficient water at the Booster Station location.

Mendon City is requesting an additional \$667,000 in financial assistance to finish construction of the Booster Station Well, construct new waterlines, install a telemetry system and replace the Cobblestone Well pumping system. Mendon has requested to roll the previous \$405,000 loan into a new loan and be given \$266,595 in principal forgiveness (the amount spent on the dry well).

Total water system improvement costs are estimated to be \$1,240,632 and Mendon City is contributing \$168,632 to the project.

**STAFF COMMENTS:**

Based on information from the Utah State Tax commission, the 2010 MAGI for Mendon City is \$47,759, which is 129% of the State MAGI of \$36,896. The current average monthly water bill is calculated as \$35.35, or 0.89% of local MAGI.

The table below outlines three funding scenarios for completing the Mendon City project. Option 1 is the base evaluation, which reduces the interest rate below the Revenue Bond Buyers Index (RBBI) market rate based on the SRF Financial Consideration point rating system. Option 2 was prepared at the request of the Financial Assistance Committee and represents a weighted average interest rate of 3.65%, with the original \$405,000 at 4% interest and the \$667,000 at 3.44% interest (1% below RBBI market rate). This higher interest rate results in a water bill of 1.20% of the local MAGI, therefore Mendon does not qualify for principal forgiveness or an interest rate lower than 3.23%. Option 3 also uses a weighted average interest rate, with \$405,000 at 4% interest and \$667,000 at 3.23% interest.

	Description	Loan Amount	Interest Rate	Term	Principal Forgiveness	Monthly Water Rate	% Local MAGI
1	Base Eval.	\$1,072,000	3.23%	20 yrs	\$0	\$47.26	1.19%
2	<b>Wtd Ave.</b>	<b>\$1,072,000</b>	<b>3.65%</b>	<b>20 yrs</b>	<b>\$0</b>	<b>\$47.91</b>	<b>1.20%</b>
3	Wtd Ave.	\$1,072,000	3.52%	20 yrs	\$0	\$47.70	1.20%

**FINANCIAL ASSISTANCE COMMITTEE RECOMMENDATION:**

**the Drinking Water Board authorize a \$1,072,000 construction loan at 3.65% interest (weighted average between \$405,000 at 4% and \$667,000 at 3.44%) for 20 years to Mendon City, which includes rolling the previously approved \$405,000 loan into the new loan. Mendon City must resolve any and all issues on their compliance report.**

**APPLICANT'S LOCATION:**

Mendon City is located in Cache County, approximately 8 miles West of Logan.

**MAP OF APPLICANT'S LOCATION:**



**PROJECT DESCRIPTION:**

The project consists of the finishing the construction of the Booster Station Well and pumping system and 8-inch transmission water line to connect the well to the water system, an 8-inch transmission water line dedicated to blending the Cobblestone Well (which is high in nitrates) with the new Booster Station Well, constructing a new telemetry system, and replacing the pumping system on the Cobblestone Well.

**POPULATION GROWTH:**

A growth rate of 1.0% is used in the population projections show below.

	Year	Population	ERC's
Current	2012	1400	445
Projected	2032	1708	543

**IMPLEMENTATION SCHEDULE:**

Apply to DWB for Funding:	September 2012
DWB Funding Authorization:	November 2012
Plans Submitted:	December 2012
Plan Approval:	December 2012
Advertise for Bids:	December 2012
Bid Opening:	January 2013
Loan Closing:	February 2013
Begin Construction:	March 2013
Complete Construction:	June 2013

**COST ESTIMATE:**

Construction, including Contingency:	\$	927,905
Engineering Planning:	\$	24,454
Engineering Design:	\$	85,000
Quality Control and Inspection:	\$	60,000
Legal/Bonding/Administrative:	\$	132,553
Loan Origination Fee	\$	10,720
<b>Total Cost:</b>	<b>\$</b>	<b>1,240,632</b>

**CONTACT INFORMATION:**

**APPLICANT:**

Mendon City  
P.O. Box 70  
Mendon, UT 84325

**PRESIDING OFFICIAL &  
CONTACT PERSON:**

Jon Hardman  
Mendon City Council  
P.O. Box 70  
Mendon, UT 84325  
435-753-5616  
Jonathan.hardman@ut.usda.gov

**CONSULTING ENGINEER:**

William Bigelow  
Hansen, Allen & Luce  
6771 S. 900 E.  
Midvale, UT 84047  
801-566-5599  
bbigelow@hansenallenluce.com

**BOND ATTORNEY:**

Eric Johnson  
Blaisdell and Church  
5995 S. Redwood Road, Taylorsville, UT 84123  
801-261-3407  
eric@bcjlaw.net

## DRINKING WATER BOARD FINANCIAL ASSISTANCE EVALUATION

SYSTEM NAME: Mendon City  
 COUNTY: Cache  
 PROJECT DESCRIPTION: New well, transmission line, telemetry and pump for existing well

FUNDING SOURCE: Federal SRF

### 100 % Loan & 0 % P.F.

ESTIMATED POPULATION:	1,400	NO. OF CONNECTIONS:	445 *	SYSTEM RATING:	APPROVED
CURRENT AVG WATER BILL:	\$35.35 *			PROJECT TOTAL:	\$1,240,632
CURRENT % OF AGI:	0.89%	FINANCIAL PTS:	34	LOAN AMOUNT:	\$1,072,000
ESTIMATED MEDIAN AGI:	\$47,759			PRINC. FORGIVENESS:	\$0
STATE AGI:	\$36,896			TOTAL REQUEST:	\$1,072,000
SYSTEM % OF STATE AGI:	129%				

	@ ZERO % RATE 0%	@ RBBI MKT RATE 4.44%		AFTER REPAYMENT PENALTY & POINTS 3.65%
<b><u>SYSTEM</u></b>				
ASSUMED LENGTH OF DEBT, YRS:	20	20		20
ASSUMED NET EFFECTIVE INT. RATE:	0.00%	4.44%		3.65%
REQUIRED DEBT SERVICE:	\$53,600.00	\$81,983.32		\$76,454.44
*PARTIAL COVERAGE (15%):	\$0.00	\$12,297.50		\$11,468.17
*ADD. COVERAGE AND RESERVE (10%):	\$5,360.00	\$8,198.33		\$7,645.44
<b>ANNUAL NEW DEBT PER CONNECTION:</b>	<b>\$132.49</b>	<b>\$230.29</b>		<b>\$214.76</b>
O & M + FUNDED DEPRECIATION:	\$150,040.00	\$150,040.00		\$150,040.00
OTHER DEBT + COVERAGE:	\$0.00	\$0.00		\$0.00
REPLACEMENT RESERVE ACCOUNT:	\$10,182.00	\$0.00		\$0.00
<b>ANNUAL EXPENSES PER CONNECTION:</b>	<b>\$360.05</b>	<b>\$337.17</b>		<b>\$337.17</b>
TOTAL SYSTEM EXPENSES	\$219,182.00	\$252,519.15		\$245,608.05
TAX REVENUE:	\$0.00	\$0.00		\$0.00
<b><u>RESIDENCE</u></b>				
<b>MONTHLY NEEDED WATER BILL:</b>	<b>\$42.96</b>	<b>\$49.20</b>		<b>\$47.91</b>
<b>% OF ADJUSTED GROSS INCOME:</b>	<b>1.08%</b>	<b>1.24%</b>		<b>1.20%</b>

\* Equivalent Residential Connections

**R309-700-5**

Mendon City  
 Cache  
 October 10, 2012

**TABLE 2**  
**FINANCIAL CONSIDERATIONS**

	POINTS	
1. COST EFFECTIVENESS RATIO (SELECT ONE)		
A. Project cost \$0 to \$500 per benefitting connection	16	
B. \$501 to \$1,500	14	
C. \$1,501 to \$2,000	11	
D. \$2,001 to \$3,000	8	X
E. \$3,001 to \$5,000	4	
F. \$5,001 to \$10,000	1	
G. Over \$10,000	0	
	\$2,788	
2. CURRENT LOCAL MEDIAN ADJUSTED GROSS INCOME (AGI) (SELECT ONE)		
A. Less than 70% of State Median AGI	19	
B. 71 to 80% of State Median AGI	16	
C. 81 to 95% of State Median AGI	13	
D. 96 to 110% of State Median AGI	9	
E. 111 to 130% of State Median AGI	6	X
E. 131 to 150% of State Median AGI	3	
F. Greater than 150% of State Median AGI	0	
	129%	
3. PROJECT FUNDING CONTRIBUTED BY APPLICANT (SELECT ONE)		
a. Greater than 25% of project funds	17	
b. 15 to 25% of project funds	14	
c. 10 to 15% of project funds	11	X
c. 5 to 10% of project funds	8	
d. 2 to 5% of project funds	4	
e. Less than 2% of project funds	0	
	13.6%	
4. ABILITY TO REPAY LOAN		
4. WATER BILL (INCLUDING TAXES) AFTER PROJECT IS BUILT RELATIVE TO LOCAL MEDIAN ADJUSTED GROSS INCOME (SELECT ONE)		
a. Greater than 2.50% of local median AGI	16	
b. 2.01 to 2.50% of local median AGI	12	
c. 1.51 to 2.00% of local median AGI	8	
d. 1.01 to 1.50% of local median AGI	3	X
e. 0 to 1.00% of local median AGI	0	
	1.20%	
5. SPECIAL INCENTIVE POINTS Applicant: (Mark all that apply)		
A. has a replacement fund receiving annual deposits of 5% of the system's drinking water budget been established, and has already accumulated a minimum of 10% of said annual DW budget in this reserve fund.	5	
B. Has a replacement fund equal to at least 15% or 20% of annual DW budget.	5	
C. Is creating or enhancing a regionalization plan	16	
D. Has a rate structure encouraging conservation	6	X
<b>TOTAL POINTS FOR FINANCIAL NEED</b>	<b>34</b>	
<b>TOTAL POSSIBLE POINTS FOR FINANCIAL NEED</b>	<b>100</b>	

## Mendon City

## PROPOSED BOND REPAYMENT SCHEDULE

100 % Loan &amp; 0 % P.F.

PRINCIPAL	\$1,072,000.00	ANTICIPATED CLOSING DATE	23-Jan-13
INTEREST	3.65%	P&I PAYMT DUE	01-Jan-14
TERM	20	REVENUE BOND	
NOMIN. PAYMENT	\$76,454.44	PRINC PREPAID:	\$0.00

YEAR	BEGINNING BALANCE	DATE OF PAYMENT	PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	PAYM NO.
2014	\$1,072,000.00		\$36,736.84 *	\$0.00	\$36,736.84	\$1,072,000.00	0
2015	\$1,072,000.00		\$76,128.00	\$37,000.00	\$39,128.00	\$1,035,000.00	1
2016	\$1,035,000.00		\$76,777.50	\$39,000.00	\$37,777.50	\$996,000.00	2
2017	\$996,000.00		\$76,354.00	\$40,000.00	\$36,354.00	\$956,000.00	3
2018	\$956,000.00		\$76,894.00	\$42,000.00	\$34,894.00	\$914,000.00	4
2019	\$914,000.00		\$76,361.00	\$43,000.00	\$33,361.00	\$871,000.00	5
2020	\$871,000.00		\$76,791.50	\$45,000.00	\$31,791.50	\$826,000.00	6
2021	\$826,000.00		\$76,149.00	\$46,000.00	\$30,149.00	\$780,000.00	7
2022	\$780,000.00		\$76,470.00	\$48,000.00	\$28,470.00	\$732,000.00	8
2023	\$732,000.00		\$76,718.00	\$50,000.00	\$26,718.00	\$682,000.00	9
2024	\$682,000.00		\$75,893.00	\$51,000.00	\$24,893.00	\$631,000.00	10
2025	\$631,000.00		\$76,031.50	\$53,000.00	\$23,031.50	\$578,000.00	11
2026	\$578,000.00		\$76,097.00	\$55,000.00	\$21,097.00	\$523,000.00	12
2027	\$523,000.00		\$76,089.50	\$57,000.00	\$19,089.50	\$466,000.00	13
2028	\$466,000.00		\$77,009.00	\$60,000.00	\$17,009.00	\$406,000.00	14
2029	\$406,000.00		\$76,819.00	\$62,000.00	\$14,819.00	\$344,000.00	15
2030	\$344,000.00		\$76,556.00	\$64,000.00	\$12,556.00	\$280,000.00	16
2031	\$280,000.00		\$76,220.00	\$66,000.00	\$10,220.00	\$214,000.00	17
2032	\$214,000.00		\$76,811.00	\$69,000.00	\$7,811.00	\$145,000.00	18
2033	\$145,000.00		\$76,292.50	\$71,000.00	\$5,292.50	\$74,000.00	19
2034	\$74,000.00		\$76,701.00	\$74,000.00	\$2,701.00	\$0.00	20
			\$1,565,899.34	\$1,072,000.00	\$493,899.34		

\*Interest Only Payment

## Mendon City

### DWB Loan Terms

Local Share (total):	\$	168,632
Other Agency Funding:	\$	-
DWB Grant Amount:	\$	-
DWB Loan Amount:	\$	1,072,000
DWB Loan Term:		20
DWB Loan Interest:		3.65%
DWB Loan Payment:	\$	76,454

### DW Expenses (Estimated)

Proposed Facility Capital Cost:	\$	1,251,352
Existing Facility O&M Expense:	\$	150,040
Proposed Facility O&M Expense:	\$	150,040
O&M Inflation Factor:		1.0%
Existing Debt Service:	\$	-

### DW Revenue Sources (Projected)

Beginning Cash:	\$	-
Existing Customers (ERC):		445
Projected Growth Rate:		1.0%
Impact Fee/Connection Fee:	\$	-
Current Monthly User Charge:	\$	33.43
Needed Average Monthly User Charge:	\$	45.99

### DW Revenue Projections

Yr	Growth Rate (%)	Annual Growth (ERC)	Total Users (ERC)	User Charge Revenue	Impact Fee Revenue	Property Tax Revenue	Total Revenue	DWB Loan Repayment	DWB Loan Reserves	Remaining Principal	Principal Payment	Interest Payment	Existing DW Debt Service	O&M Expenses	Total Expenses	Debt Service Ratio
0	1.0%	4	445	178,541	-	-	178,541	-	-	1,072,000	-	-	-	150,040	150,040	-
1	1.0%	4	449	247,816	-	-	247,816	76,128	7,645	1,035,000	37,000	39,128	-	150,040	233,813	1.28
2	1.0%	5	454	250,575	-	-	250,575	76,778	7,645	996,000	39,000	37,778	-	151,540	235,963	1.29
3	1.0%	4	458	252,783	-	-	252,783	76,354	7,645	956,000	40,000	36,354	-	153,056	237,055	1.31
4	1.0%	5	463	255,543	-	-	255,543	76,894	7,645	914,000	42,000	34,894	-	154,586	239,126	1.31
5	1.0%	5	468	258,302	-	-	258,302	76,361	7,645	871,000	43,000	33,361	-	156,132	240,139	1.34
6	1.0%	4	472	260,510	-	-	260,510	76,792	7,645	826,000	45,000	31,792	-	157,694	242,130	1.34
7	1.0%	5	477	263,270	-	-	263,270	76,149	7,645	780,000	46,000	30,149	-	159,270	243,065	1.37
8	1.0%	5	482	266,029	-	-	266,029	76,470	7,645	732,000	48,000	28,470	-	160,863	244,979	1.38
9	1.0%	5	487	268,789	-	-	268,789	76,718	7,645	682,000	50,000	26,718	-	162,472	246,835	1.39
10	1.0%	5	492	271,549	-	-	271,549	75,893	7,645	631,000	51,000	24,893	-	164,097	247,635	1.42
11	1.0%	4	496	273,756	-	-	273,756	76,032		578,000	53,000	23,032	-	165,738	241,769	1.42
12	1.0%	5	501	276,516	-	-	276,516	76,097		523,000	55,000	21,097	-	167,395	243,492	1.43
13	1.0%	5	506	279,276	-	-	279,276	76,090		466,000	57,000	19,090	-	169,069	245,158	1.45
14	1.0%	6	512	282,587	-	-	282,587	77,009		406,000	60,000	17,009	-	170,760	247,769	1.45
15	1.0%	5	517	285,347	-	-	285,347	76,819		344,000	62,000	14,819	-	172,467	249,286	1.47
16	1.0%	5	522	288,107	-	-	288,107	76,556		280,000	64,000	12,556	-	174,192	250,748	1.49
17	1.0%	5	527	290,866	-	-	290,866	76,220		214,000	66,000	10,220	-	175,934	252,154	1.51
18	1.0%	5	532	293,626	-	-	293,626	76,811		145,000	69,000	7,811	-	177,693	254,504	1.51
19	1.0%	6	538	296,937	-	-	296,937	76,293		74,000	71,000	5,293	-	179,470	255,762	1.54
20	1.0%	5	543	299,697	-	-	299,697	76,701		-	74,000	2,701	-	181,265	257,966	1.54
Total Paid in Debt Service =											1,072,000	457,163				

## DRINKING WATER BOARD FINANCIAL ASSISTANCE EVALUATION

SYSTEM NAME: Mendon City  
 COUNTY: Cache  
 PROJECT DESCRIPTION: New well, transmission line, telemetry and pump for existing well

FUNDING SOURCE: Federal SRF

### 100 % Loan & 0 % P.F.

ESTIMATED POPULATION:	1,400	NO. OF CONNECTIONS:	445 *	SYSTEM RATING:	APPROVED
CURRENT AVG WATER BILL:	\$35.35 *			PROJECT TOTAL:	\$1,240,632
CURRENT % OF AGI:	0.89%	FINANCIAL PTS:	34	LOAN AMOUNT:	\$1,072,000
ESTIMATED MEDIAN AGI:	\$47,759			PRINC. FORGIVENESS:	\$0
STATE AGI:	\$36,896			TOTAL REQUEST:	\$1,072,000
SYSTEM % OF STATE AGI:	129%				

	@ ZERO % RATE 0%	@ RBBI MKT RATE 4.44%		AFTER REPAYMENT PENALTY & POINTS 3.23%
<b><u>SYSTEM</u></b>				
ASSUMED LENGTH OF DEBT, YRS:	20	20		20
ASSUMED NET EFFECTIVE INT. RATE:	0.00%	4.44%		3.23%
REQUIRED DEBT SERVICE:	\$53,600.00	\$81,983.32		\$73,596.15
*PARTIAL COVERAGE (15%):	\$0.00	\$12,297.50		\$0.00
*ADD. COVERAGE AND RESERVE (10%):	\$5,360.00	\$8,198.33		\$7,359.62
<b>ANNUAL NEW DEBT PER CONNECTION:</b>	<b>\$132.49</b>	<b>\$230.29</b>		<b>\$181.92</b>
O & M + FUNDED DEPRECIATION:	\$150,040.00	\$150,040.00		\$150,040.00
OTHER DEBT + COVERAGE:	\$0.00	\$0.00		\$0.00
REPLACEMENT RESERVE ACCOUNT:	\$10,182.00	\$0.00		\$11,181.81
<b>ANNUAL EXPENSES PER CONNECTION:</b>	<b>\$360.05</b>	<b>\$337.17</b>		<b>\$362.30</b>
TOTAL SYSTEM EXPENSES	\$219,182.00	\$252,519.15		\$242,177.58
TAX REVENUE:	\$0.00	\$0.00		\$0.00
<b><u>RESIDENCE</u></b>				
<b>MONTHLY NEEDED WATER BILL:</b>	<b>\$42.96</b>	<b>\$49.20</b>		<b>\$47.26</b>
<b>% OF ADJUSTED GROSS INCOME:</b>	<b>1.08%</b>	<b>1.24%</b>		<b>1.19%</b>

\* Equivalent Residential Connections

## DRINKING WATER BOARD FINANCIAL ASSISTANCE EVALUATION

SYSTEM NAME: Mendon City  
 COUNTY: Cache  
 PROJECT DESCRIPTION: New well, transmission line, telemetry and pump for existing well

FUNDING SOURCE: Federal SRF

### 100 % Loan & 0 % P.F.

ESTIMATED POPULATION:	1,400	NO. OF CONNECTIONS:	445 *	SYSTEM RATING:	APPROVED
CURRENT AVG WATER BILL:	\$35.35 *			PROJECT TOTAL:	\$1,240,632
CURRENT % OF AGI:	0.89%	FINANCIAL PTS:	34	LOAN AMOUNT:	\$1,072,000
ESTIMATED MEDIAN AGI:	\$47,759			PRINC. FORGIVENESS:	\$0
STATE AGI:	\$36,896			TOTAL REQUEST:	\$1,072,000
SYSTEM % OF STATE AGI:	129%				

	@ ZERO % RATE 0%	@ RBBI MKT RATE 4.44%		AFTER REPAYMENT PENALTY & POINTS 3.52%
<b><u>SYSTEM</u></b>				
ASSUMED LENGTH OF DEBT, YRS:	20	20		20
ASSUMED NET EFFECTIVE INT. RATE:	0.00%	4.44%		3.52%
REQUIRED DEBT SERVICE:	\$53,600.00	\$81,983.32		\$75,563.64
*PARTIAL COVERAGE (15%):	\$0.00	\$12,297.50		\$11,334.55
*ADD. COVERAGE AND RESERVE (10%):	\$5,360.00	\$8,198.33		\$7,556.36
<b>ANNUAL NEW DEBT PER CONNECTION:</b>	<b>\$132.49</b>	<b>\$230.29</b>		<b>\$212.26</b>
O & M + FUNDED DEPRECIATION:	\$150,040.00	\$150,040.00		\$150,040.00
OTHER DEBT + COVERAGE:	\$0.00	\$0.00		\$0.00
REPLACEMENT RESERVE ACCOUNT:	\$10,182.00	\$0.00		\$0.00
<b>ANNUAL EXPENSES PER CONNECTION:</b>	<b>\$360.05</b>	<b>\$337.17</b>		<b>\$337.17</b>
TOTAL SYSTEM EXPENSES	\$219,182.00	\$252,519.15		\$244,494.55
TAX REVENUE:	\$0.00	\$0.00		\$0.00
<b><u>RESIDENCE</u></b>				
<b>MONTHLY NEEDED WATER BILL:</b>	<b>\$42.96</b>	<b>\$49.20</b>		<b>\$47.70</b>
<b>% OF ADJUSTED GROSS INCOME:</b>	<b>1.08%</b>	<b>1.24%</b>		<b>1.20%</b>

\* Equivalent Residential Connections

**03011 Mendon City Water System  
Compliance Report  
September 24, 2012**

**Administration:**

Cross Connection Control lacks written records and on-going enforcement plan.

**Operator Certification:**

No issues

**Bacteriological Information:**

No issues

**Chemical Monitoring:**

Required Dis Asbestos sample not taken for DS001, Distribution System

**Lead/Copper:**

No issues

**Consumer Confidence Report**

No issues

**Physical Facilities:**

A/V Release valve piping not extend above grating in DS001, Distribution System.

System lacks >40% of required source capacity.

Deep rooted vegetation in spring collection area for WS002, Lower Spring

Cl2 Gas Fed/Storage not spate from other areas in TP001, Upper Spring Chlorinator

Storage facility interior peeling or cracked in ST001, Upper Storage

**Drinking Water Source Protection:**

Need to submit updates for their springs.

**Plan Review:**

No issues

## 5. FINANCIAL ASSISTANCE COMMITTEE

### 3) SRF APPLICATIONS FEDERAL FUNDS

#### c) OGDEN CITY – GARY KOBZEFF

Ogden City  
Presented to the Drinking Water Board  
November 9, 2012

**DRINKING WATER BOARD  
BOARD PACKET FOR CONSTRUCTION LOAN**

**APPLICANT'S REQUEST:**

Ogden City is requesting a Construction Loan in the amount of \$5,000,000 to fund phase two of the Ogden Canyon Pipe Line Repair Project. Phase 2 will encompass the construction of a 500,000 gallon storage tank and the replacement of the remainder of the approximately 4.2 miles of 24" diameter steel pipeline.

**STAFF COMMENTS:**

Ogden City has a local MAGI of \$31,409, which is approximately 85% of the State's MAGI greater than the 80% maximum limit necessary to qualify for principal forgiveness. Their current water bill is approximately \$44.20 per month, 1.61% of local MAGI. The town's projected water bill after construction would be approximately \$51.84 per month or 1.98% of local MAGI greater than the 1.75% minimum limit necessary to qualify for principal forgiveness. Therefore, Ogden City does qualify for principal forgiveness. A 20-year loan in the amount of \$5,000,000 would allow Ogden City to maintain a water bill of \$52.07 a month at 1.99% of local MAGI.

**FINANCIAL ASSISTANCE COMMITTEE RECOMENDATION:**

**The Drinking Water Board authorize a \$5,000,000 construction loan to Ogden City with a 2.39% interest/fee per annum, for 20 years,** with the condition that they resolve all issues on their compliance report. A 1.0% loan origination fee of \$50,000 will be assessed which can be either absorbed by the authorized loan amount or paid by the water system, out of the system funds at loan closing.

**APPLICANT'S LOCATION:**

Ogden City is located in Weber County.

**MAP OF APPLICANT'S LOCATION:**



**PROJECT DESCRIPTION:**

This is phase two of the Ogden Canyon Pipe Line Repair. The funds in this application will complete the already approved and funded phase 1. This money will be used to finish pipe bursting the approximately 4 miles of pipe in the project. This money will also be used to construct a water tank to provide adequate pressure and fire flow storage to Ogden Canyon residents. The tank is estimated to be roughly 500,000 gallons although final sizing is in progress.

**POPULATION GROWTH:**

According to the Governor's Office of Planning and Budget, Ogden City is estimated to grow at an annual average rate of change of approximately 1.2% through the year 2030.

	<u>Year</u>	<u>Population</u>	<u>Connections ERC's</u>
Current:	2012	82,522	24,953
Projected:	2030	106,062	32,071

**IMPLEMENTATION SCHEDULE:**

Apply to DWB for Planning Funds:	Jun, 2012
SRF Committee Conference Call:	Oct 3, 2012
DWB Funding Authorization:	Nov 9, 2012
Loan Closing:	Jan 15, 2013
Begin Construction:	Jan 15, 2013
Complete Construction:	Nov 15, 2013

**COST ESTIMATE:**

Administrative-Environmental Clearances	\$135,818
Public Involvement	\$151,156
Engineering-Planning	\$26,695
Engineering-Design	\$285,144
Construction- Transmission Line	\$3,352,187
Construction- Storage Tank	\$1,000,000
SUBTOTAL	\$4,950,000
Loan origination Fee	\$50,000
TOTAL	\$5,000,000

**COST ALLOCATION:**

The cost allocation proposed for the project is shown below.

<u>Funding Source</u>	<u>Cost Sharing</u>	<u>Percent of Project</u>
DWB Loan	\$5,000,000	100%
DWB Principal Forgiveness	\$0	0%
Total Amount:	\$5,000,000	100%

APPLICANT:

Ogden City  
133 West 29<sup>th</sup> Street  
Ogden City, Utah 84401  
Telephone: 801-629-8097  
Fax: 801-629-8053  
Email: [KentonMoffett@ogdencity.com](mailto:KentonMoffett@ogdencity.com)

PRESIDING OFFICIAL &  
CONTACT PERSON:

Kenton Moffett, Water Utility Manager  
133 West 29<sup>th</sup> Street  
Ogden City, Utah 84401  
Telephone: 801-629-8097  
Fax: 801-629-8053  
Email: [Kentonmoffett@ogdencity.com](mailto:Kentonmoffett@ogdencity.com)

TREASURER/RECORDER:

Laurie Johnson  
Telephone: 801-629-8710  
Email: [lauriejohnson@ogdencity.com](mailto:lauriejohnson@ogdencity.com)

CONSULTING ENGINEER:

George Benford  
Horrocks Engineers  
3544 Lincoln Avenue, Suite 11  
Ogden City, Utah, 84401  
Telephone: (801) 621-1025  
Fax: (801) 621-2794  
Email: [georgeb@horrocks.com](mailto:georgeb@horrocks.com)

FINANCIAL CONSULTANT:

Laura Lewis  
Lewis Young Robertson & Burningham, INC  
41 North Rio Grande, Suite 101  
Salt Lake City, Utah 84401  
Telephone: (801) 596-0700  
Email: [laura@lewisyoung.com](mailto:laura@lewisyoung.com)

ATTORNEY:

Gary Williams  
2549 Washington Boulevard  
Ogden City, Utah 84401  
Telephone: (801)629-8145  
Email: [GaryWilliams@OgdenCity.com](mailto:GaryWilliams@OgdenCity.com)

## DRINKING WATER BOARD FINANCIAL ASSISTANCE EVALUATION

SYSTEM NAME: Ogden City  
COUNTY: Weber  
PROJECT DESCRIPTION: Transmission Line and 0.75 MG Storage Tank

FUNDING SOURCE: Federal SRF

**100 % Loan & 0 % P.F.**

ESTIMATED POPULATION:	82,522	NO. OF CONNECTIONS:	26206 *	SYSTEM RATING:	APPROVED
CURRENT AVG WATER BILL:	\$42.20 *			PROJECT TOTAL:	\$5,000,000
CURRENT % OF AGI:	1.61%	FINANCIAL PTS:	53	LOAN AMOUNT:	\$5,000,000
ESTIMATED MEDIAN AGI:	\$31,409			PRINC. FORGIVENESS:	\$0
STATE AGI:	\$36,896			TOTAL REQUEST:	\$5,000,000
SYSTEM % OF STATE AGI:	85%				

	@ ZERO % RATE 0%	@ RBBI MKT RATE 4.44%		AFTER REPAYMENT PENALTY & POINTS 2.39%
<b><u>SYSTEM</u></b>				
ASSUMED LENGTH OF DEBT, YRS:	20	20		20
ASSUMED NET EFFECTIVE INT. RATE:	0.00%	4.44%		2.39%
REQUIRED DEBT SERVICE:	\$250,000.00	\$382,384.90		\$317,412.43
*PARTIAL COVERAGE (15%):	\$0.00	\$0.00		\$0.00
*ADD. COVERAGE AND RESERVE (10%):	\$25,000.00	\$38,238.49		\$31,741.24
<b>ANNUAL NEW DEBT PER CONNECTION:</b>	<b>\$10.49</b>	<b>\$16.05</b>		<b>\$13.32</b>
O & M + FUNDED DEPRECIATION:	\$11,588,307.00	\$11,588,307.00		\$11,588,307.00
OTHER DEBT + COVERAGE:	\$3,693,530.00	\$3,693,530.00		\$3,693,530.00
REPLACEMENT RESERVE ACCOUNT:	\$739,656.55	\$746,275.79		\$743,027.17
<b>ANNUAL EXPENSES PER CONNECTION:</b>	<b>\$611.37</b>	<b>\$611.62</b>		<b>\$611.50</b>
TOTAL SYSTEM EXPENSES	\$16,296,493.55	\$16,448,736.18		\$16,374,017.84
TAX REVENUE:	\$0.00	\$0.00		\$0.00
<b><u>RESIDENCE</u></b>				
<b>MONTHLY NEEDED WATER BILL:</b>	<b>\$51.82</b>	<b>\$52.31</b>		<b>\$52.07</b>
<b>% OF ADJUSTED GROSS INCOME:</b>	<b>1.98%</b>	<b>2.00%</b>		<b>1.99%</b>

\* Equivalent Residential Connections

**R309-700-5**

Ogden City

Weber

September 18, 2012

**TABLE 2**  
**FINANCIAL CONSIDERATIONS**

	POINTS	
1. COST EFFECTIVENESS RATIO (SELECT ONE)		
A. Project cost \$0 to \$500 per benefitting connection	16	X
B. \$501 to \$1,500	14	
C. \$1,501 to \$2,000	11	
D. \$2,001 to \$3,000	8	
E. \$3,001 to \$5,000	4	
F. \$5,001 to \$10,000	1	
G. Over \$10,000	0	
	\$191	
2. CURRENT LOCAL MEDIAN ADJUSTED GROSS INCOME (AGI) (SELECT ONE)		
A. Less than 70% of State Median AGI	19	
B. 71 to 80% of State Median AGI	16	
C. 81 to 95% of State Median AGI	13	X
D. 96 to 110% of State Median AGI	9	
E. 111 to 130% of State Median AGI	6	
E. 131 to 150% of State Median AGI	3	
F. Greater than 150% of State Median AGI	0	
	85%	
3. PROJECT FUNDING CONTRIBUTED BY APPLICANT (SELECT ONE)		
a. Greater than 25% of project funds	17	
b. 15 to 25% of project funds	14	
c. 10 to 15% of project funds	11	
c. 5 to 10% of project funds	8	
d. 2 to 5% of project funds	4	
e. Less than 2% of project funds	0	X
	0.0%	
4. ABILITY TO REPAY LOAN		
4. WATER BILL (INCLUDING TAXES) AFTER PROJECT IS BUILT RELATIVE TO LOCAL MEDIAN ADJUSTED GROSS INCOME (SELECT ONE)		
a. Greater than 2.50% of local median AGI	16	
b. 2.01 to 2.50% of local median AGI	12	
c. 1.51 to 2.00% of local median AGI	8	X
d. 1.01 to 1.50% of local median AGI	3	
e. 0 to 1.00% of local median AGI	0	
	1.98%	
5. SPECIAL INCENTIVE POINTS Applicant: (Mark all that apply)		
A. has a replacement fund receiving annual deposits of 5% of the system's drinking water budget been established, and has already accumulated a minimum of 10% of said annual DW budget in this reserve fund.	5	X
B. Has a replacement fund equal to at least 15% or 20% of annual DW budget.	5	X
C. Is creating or enhancing a regionalization plan	16	
D. Has a rate structure encouraging conservation	6	X
<b>TOTAL POINTS FOR FINANCIAL NEED</b>	<b>53</b>	
<b>TOTAL POSSIBLE POINTS FOR FINANCIAL NEED</b>	<b>100</b>	

## Ogden City

## PROPOSED BOND REPAYMENT SCHEDULE

100 % Loan &amp; 0 % P.F.

PRINCIPAL	\$5,000,000.00	ANTICIPATED CLOSING DATE	15-Jan-13
INTEREST	2.39%	P&I PAYMT DUE	01-Jan-14
TERM	20	REVENUE BOND	
NOMIN. PAYMENT	\$317,412.43	PRINC PREPAID:	\$0.00

YEAR	BEGINNING BALANCE	DATE OF PAYMENT	PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	PAYM NO.
2014	\$5,000,000.00		\$114,852.78 *	\$0.00	\$114,852.78	\$5,000,000.00	0
2015	\$5,000,000.00		\$317,500.00	\$198,000.00	\$119,500.00	\$4,802,000.00	1
2016	\$4,802,000.00		\$317,767.80	\$203,000.00	\$114,767.80	\$4,599,000.00	2
2017	\$4,599,000.00		\$316,916.10	\$207,000.00	\$109,916.10	\$4,392,000.00	3
2018	\$4,392,000.00		\$316,968.80	\$212,000.00	\$104,968.80	\$4,180,000.00	4
2019	\$4,180,000.00		\$317,902.00	\$218,000.00	\$99,902.00	\$3,962,000.00	5
2020	\$3,962,000.00		\$317,691.80	\$223,000.00	\$94,691.80	\$3,739,000.00	6
2021	\$3,739,000.00		\$317,362.10	\$228,000.00	\$89,362.10	\$3,511,000.00	7
2022	\$3,511,000.00		\$316,912.90	\$233,000.00	\$83,912.90	\$3,278,000.00	8
2023	\$3,278,000.00		\$317,344.20	\$239,000.00	\$78,344.20	\$3,039,000.00	9
2024	\$3,039,000.00		\$317,632.10	\$245,000.00	\$72,632.10	\$2,794,000.00	10
2025	\$2,794,000.00		\$317,776.60	\$251,000.00	\$66,776.60	\$2,543,000.00	11
2026	\$2,543,000.00		\$317,777.70	\$257,000.00	\$60,777.70	\$2,286,000.00	12
2027	\$2,286,000.00		\$317,635.40	\$263,000.00	\$54,635.40	\$2,023,000.00	13
2028	\$2,023,000.00		\$317,349.70	\$269,000.00	\$48,349.70	\$1,754,000.00	14
2029	\$1,754,000.00		\$316,920.60	\$275,000.00	\$41,920.60	\$1,479,000.00	15
2030	\$1,479,000.00		\$317,348.10	\$282,000.00	\$35,348.10	\$1,197,000.00	16
2031	\$1,197,000.00		\$317,608.30	\$289,000.00	\$28,608.30	\$908,000.00	17
2032	\$908,000.00		\$317,701.20	\$296,000.00	\$21,701.20	\$612,000.00	18
2033	\$612,000.00		\$316,626.80	\$302,000.00	\$14,626.80	\$310,000.00	19
2034	\$310,000.00		\$317,409.00	\$310,000.00	\$7,409.00	\$0.00	20
			\$6,463,003.98	\$5,000,000.00	\$1,463,003.98		

\*Interest Only Payment

## Ogden City

### DWB Loan Terms

Local Share (total):	\$	-
Other Agency Funding:	\$	-
DWB Grant Amount:	\$	-
DWB Loan Amount:	\$	5,000,000
DWB Loan Term:		20
DWB Loan Interest:		<b>2.39%</b>
DWB Loan Payment:	\$	317,412

### DW Expenses (Estimated)

Proposed Facility Capital Cost:	\$	5,050,000
Existing Facility O&M Expense:	\$	11,588,307
Proposed Facility O&M Expense:	\$	11,588,307
O&M Inflation Factor:		<b>1.0%</b>
Existing Debt Service:	\$	2,954,824

### DW Revenue Sources (Projected)

Beginning Cash:	\$	-
Existing Customers (ERC):		26,206
Projected Growth Rate:		<b>1.0%</b>
Impact Fee/Connection Fee:	\$	-
Current Monthly User Charge:	\$	42.20
Needed Average Monthly User Charge:	\$	52.07

### DW Revenue Projections

Yr	Growth Rate (%)	Annual Growth (ERC)	Total Users (ERC)	User Charge Revenue	Impact Fee Revenue	Property Tax Revenue	Total Revenue	DWB Loan Repayment	DWB Loan Reserves	Remaining Principal	Principal Payment	Interest Payment	Existing DW Debt Service	O&M Expenses	Total Expenses	Debt Service Ratio
0	1.0%	262	26,206	13,271,510	-	-	13,271,510	-	-	5,000,000	-	-	2,954,824	11,588,307	14,543,131	-
1	1.0%	262	26,468	16,537,721	-	-	16,537,721	<b>317,500</b>	<b>31,741</b>	4,802,000	198,000	119,500	2,954,824	11,588,307	14,892,372	1.51
2	1.0%	265	26,733	16,703,298	-	-	16,703,298	<b>317,768</b>	<b>31,741</b>	4,599,000	203,000	114,768	2,954,824	11,704,190	15,008,523	1.53
3	1.0%	267	27,000	16,870,124	-	-	16,870,124	<b>316,916</b>	<b>31,741</b>	4,392,000	207,000	109,916	2,954,824	11,821,232	15,124,713	1.54
4	1.0%	270	27,270	17,038,826	-	-	17,038,826	<b>316,969</b>	<b>31,741</b>	4,180,000	212,000	104,969	2,954,824	11,939,444	15,242,978	1.56
5	1.0%	273	27,543	17,209,401	-	-	17,209,401	<b>317,902</b>	<b>31,741</b>	3,962,000	218,000	99,902	2,954,824	12,058,839	15,363,306	1.57
6	1.0%	275	27,818	17,381,227	-	-	17,381,227	<b>317,692</b>	<b>31,741</b>	3,739,000	223,000	94,692	2,954,824	12,179,427	15,483,684	1.59
7	1.0%	278	28,096	17,554,927	-	-	17,554,927	<b>317,362</b>	<b>31,741</b>	3,511,000	228,000	89,362	2,954,824	12,301,221	15,605,149	1.61
8	1.0%	281	28,377	17,730,501	-	-	17,730,501	<b>316,913</b>	<b>31,741</b>	3,278,000	233,000	83,913	2,954,824	12,424,234	15,727,712	1.62
9	1.0%	284	28,661	17,907,950	-	-	17,907,950	<b>317,344</b>	<b>31,741</b>	3,039,000	239,000	78,344	2,954,824	12,548,476	15,852,385	1.64
10	1.0%	287	28,948	18,087,273	-	-	18,087,273	<b>317,632</b>	<b>31,741</b>	2,794,000	245,000	72,632	2,954,824	12,673,961	15,978,158	1.65
11	1.0%	289	29,237	18,267,846	-	-	18,267,846	<b>317,777</b>		2,543,000	251,000	66,777	2,954,824	12,800,700	16,073,301	1.67
12	1.0%	293	29,530	18,450,918	-	-	18,450,918	<b>317,778</b>		2,286,000	257,000	60,778	2,954,824	12,928,707	16,201,309	1.69
13	1.0%	295	29,825	18,635,239	-	-	18,635,239	<b>317,635</b>		2,023,000	263,000	54,635	2,954,824	13,057,994	16,330,454	1.70
14	1.0%	298	30,123	18,821,436	-	-	18,821,436	<b>317,350</b>		1,754,000	269,000	48,350	2,954,824	13,188,574	16,460,748	1.72
15	1.0%	301	30,424	19,009,506	-	-	19,009,506	<b>316,921</b>		1,479,000	275,000	41,921	2,954,824	13,320,460	16,592,205	1.74
16	1.0%	305	30,729	19,200,076	-	-	19,200,076	<b>317,348</b>		1,197,000	282,000	35,348	2,954,824	13,453,665	16,725,837	1.76
17	1.0%	307	31,036	19,391,896	-	-	19,391,896	<b>317,608</b>		908,000	289,000	28,608	2,954,824	13,588,201	16,860,634	1.77
18	1.0%	310	31,346	19,585,590	-	-	19,585,590	<b>317,701</b>		612,000	296,000	21,701	2,954,824	13,724,083	16,996,609	1.79
19	1.0%	314	31,660	19,781,783	-	-	19,781,783	<b>316,627</b>		310,000	302,000	14,627	2,954,824	13,861,324	17,132,775	1.81
20	1.0%	316	31,976	19,979,226	-	-	19,979,226	<b>317,409</b>		-	310,000	7,409	2,954,824	13,999,937	17,272,170	1.83

Total Paid in Debt Service = 5,000,000 1,348,151

## **29011 Ogden City Water System Compliance Report September 24, 2012**

### **Administration:**

Fire hydrant use policy inadequate for DS001 – Distribution System

### **Operator Certification:**

No issues

### **Bacteriological Information:**

No issues

### **Chemical Monitoring:**

No issues

### **Lead/Copper:**

No issues

### **Consumer Confidence Report**

Have not turned in their 2011 CCR.

### **Physical Facilities:**

Fails to provide 20 PSI to all connections during fireflow conditions in the northeast section

Unprotected cross connection in distribution system

### **Drinking Water Source Protection:**

No issues

### **Plan Review:**

Need Operating Permit for Taylor Canyon Well pump and waterline.

Need operating permit for booster pump station from 36<sup>th</sup> street to 46<sup>th</sup> street

## 5. FINANCIAL ASSISTANCE COMMITTEE

### 3) SRF APPLICATIONS FEDERAL FUNDS

#### d) DUCHESNE COUNTY WID – Gary Kobzeff

Duchesne County Water Conservancy District  
Presented to the Drinking Water Board  
November 9, 2012

**DRINKING WATER BOARD**  
**PACKET FOR CONSTRUCTION LOAN AUTHORIZATION EXTENSION**

**APPLICANT'S REQUEST**

On March 10, 2010, the Drinking Water Board authorized **a loan of \$4,000,000** to Duchesne County Water Conservancy District (DCWCD) at 2.47% interest for 30 years with \$1,600,000 in principal forgiveness to construct 28 miles of 20-inch pipeline from the Duchesne Valley WTP (near Starvation Reservoir) eastward along Highway 40 to Ballard, providing drinking water to the residents of the Johnson WID, Myton, Roosevelt, Cedarview/Montwell, and Ballard as well as industrial water to Northfield.

On January 18, 2012, the Board authorized an extension to the original authorization until November 10, 2012. A considerable amount of time had been expended to obtain right-of-way easements from the Department of Transportation and the Tribal Lands.

On August 29, 2012 Scott Wilson with Duchesne County Water Conservancy District met with Division staff to request a further extension to the project. Obtaining right-of-way easements from Tribal Lands has become uncertain and DCWCD will pursue an alternative alignment not affected by Tribal Lands.

**FINANCIAL ASSISTANCE COMMITTEE RECOMENDATION:**

**The Financial Assistance Committee forwarded this request, without recommendation, to the Drinking water Board for consideration.**

## 5. FINANCIAL ASSISTANCE COMMITTEE

### 3) SRF APPLICATIONS FEDERAL FUNDS

#### e) SHILOAH WELLS – DEAUTHORIZATION – MICHAEL GRANGE

**DRINKING WATER BOARD  
BOARD PACKET FOR CONSTRUCTION LOAN**

**APPLICANT'S REQUEST**

At the May 2010 Drinking Water Board Meeting the Board authorized \$25,000 in financial assistance to the Shiloah Wells Water Company for water system improvements. Since that time the Applicant has not made any efforts to procure the funding and has failed to respond to repeated communication attempts.

The latest attempt at communication with the applicant was a letter dated September 7, 2012 in which staff requested the Applicant provide evidence of significant progress toward obligating the financial assistance. The deadline for submitting the documentation was set at October 19, 2012. The Applicant did not respond to this written request for information.

The appointed deadline was reached after the Financial Assistance Committee conference call that was held on October 3, 2012. Therefore this proposed action was not presented to the Committee for review.

**STAFF RECOMENDATION:**

**The Drinking Water Board de-authorize the \$25,000.00 financial assistance to the Shiloah Wells Water Company.**



State of Utah

GARY R. HERBERT  
Governor

GREG BELL  
Lieutenant Governor

Department of  
Environmental Quality

Amanda Smith  
Executive Director

DIVISION OF DRINKING WATER  
Kenneth H. Bousfield, P.E.  
Director

Drinking Water Board  
Paul Hansen, P.E., *Chair*  
Ken Bassett, *Vice-Chair*  
Terry Beebe  
Russell Donoghue  
Daniel Fleming  
Tage Flint  
Heather Jackson  
Betty Naylor  
Amanda Smith  
David Stevens, Ph.D.  
James Webb  
Kenneth H. Bousfield, P.E.  
*Executive Secretary*

September 7, 2012

Dean G. Hayward  
Shiloah Wells Water Company  
1100 Circle Dr.  
Eskdale, Utah 84066

Dear Mr. Hayward:

Subject: Notice of Pending Deauthorization of Financial Assistance  
Through the State Revolving Fund Loan Program,  
SRF Loan Project No. 3F151, System #14029

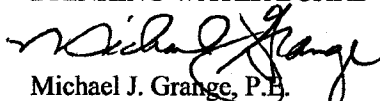
On March 10, 2010, the Drinking Water Board (hereinafter called the "Board") authorized a loan of **\$25,000.00** to Shiloah Wells Water Company (hereinafter called the "Applicant") to provide funds for the Applicant to purchase a backup generator (hereinafter called the "Project"). It has now been over two years since the Board authorized this financial assistance and Division of Drinking Water staff is unaware of any progress on the Applicant's part to close the loan and use the authorized funding.

If documentation of significant progress towards loan closing is not submitted to Division of Drinking Water staff by October 19, 2012, Staff will recommend that the Board deauthorize the \$25,000 funding at the regularly scheduled Board Meeting on November 9, 2012, to make that financial assistance available for other drinking water infrastructure projects. This deauthorization will in no way impact the Applicant's ability to apply for financial assistance from the Board in the future.

If you have any questions, please contact Jesse Johnson or me at (801) 536-4200.

Regards,

DRINKING WATER BOARD

  
Michael J. Grange, P.E.  
Assistant Executive Secretary

MJG:hb

cc: William Prater, Esq., William L. Prater, LLC, PO Box 71368, SLC, UT 84171  
Lynn Wall, Wall Engineering, 55 S. Main St., #2, Fillmore, UT 84631  
John Chartier, DEQ District Engineer  
Jesse Johnson, DDW

## AGENDA 6

RURAL WATER ASSOCIATION OF UTAH'S

FUNDING FOR THE  
DEVELOPMENT SPECIALIST

# UTAH DEPARTMENT OF ENVIRONMENTAL QUALITY

Page 77 of 110

168 North 1950 West, Salt Lake City, Utah 84116

## CONTRACT

121427

Department Log Number

State Contract Number

1. CONTRACT NAME:

The name of this Contract is Rural Water Association Capacity Development Contract.

2. CONTRACTING PARTIES:

This Contract is between the Utah Department of Environmental Quality (DEPARTMENT),  
and Rural Water Association of Utah (CONTRACTOR).

3. CONTRACT PERIOD:

The service period of this Contract will be January 1, 2012 through December 31, 2012, unless terminated or extended by agreement in accordance with the terms and conditions of this Contract.

4. CONTRACT AMOUNT:

The Contractor will be paid up to a maximum amount of \$124,757 in accordance with the provisions in this Contract.  
This Contract is funded with 0 % Federal funds and with 100 % State funds.

5. CONTRACT INQUIRIES:

Inquiries regarding this Contract shall be directed to the following individuals:

CONTRACTOR

Contact Person: Dale F. Pierson  
Business Address: 76 East Redpine Drive  
Alpine, Utah 84004  
Phone Number: (801) 756-5123

DEPARTMENT

Program: Drinking Water  
Contact Person: Kate Johnson  
Phone Number: 536-4206

6. REFERENCE TO ATTACHMENTS INCLUDED AS PART OF THIS CONTRACT:

Attachment A: Standard Terms and Conditions

Attachment B: Special Provisions

Attachment D:

Attachment C: Budget

Attachment F:

Attachment E:

7. PROVISIONS INCORPORATED INTO THIS CONTRACT BY REFERENCE, BUT NOT ATTACHED HERETO:

A. All other governmental laws, rules, regulations, or actions applicable to services provided herein.

8. If the Contractor has provided the Department with Assurances, then the Department is entering into this agreement based upon the Assurances provided by the Contractor and the Assurances are incorporated by reference.

9. If the Contractor is not a local public procurement unit as defined by the Utah Procurement Code (UCA 63-56-105(12)), this Contract must be signed by a representative of the State Division of Finance and the State Division of Purchasing to bind the State and the Department to this Contract.

IN WITNESS WHEREOF, the parties sign this Contract.

CONTRACTOR: Rural Water Assoc. of Utah

By: [Signature] 12-9-11  
Signature of Authorized Individual Date

Print Name: Dale F. Pierson

Title: Executive Director

94-2716320  
Federal Tax Identification Number or  
Social Security Number

UTAH DEPARTMENT OF ENVIRONMENTAL QUALITY

By: [Signature] 12/22/2011  
Brad Johnson Date  
Deputy Director

CONTRACT RECEIVED AND  
PP - PROC BY  
STATE FINANCE

JAN 04 2011

State Finance: \_\_\_\_\_ Date

N/A  
State Purchasing: \_\_\_\_\_ Date

1. **AUTHORITY:** Provisions of this contract are pursuant to the authority set forth in 63G-6, Utah Code Annotated, 1953, as amended, Utah State Procurement Rules (Utah Administrative Code Section R33), and related statutes which permit the State to purchase certain specified services, and other approved purchases for the State.
2. **CONTRACT JURISDICTION, CHOICE OF LAW, AND VENUE:** The provisions of this contract shall be governed by the laws of the State of Utah. The parties will submit to the jurisdiction of the courts of the State of Utah for any dispute arising out of this Contract or the breach thereof. Venue shall be in Salt Lake City, in the Third Judicial District Court for Salt Lake County.
3. **LAWS AND REGULATIONS:** The Contractor and any and all supplies, services, equipment, and construction furnished under this contract will comply fully with all applicable Federal and State laws and regulations, including applicable licensure and certification requirements.
4. **RECORDS ADMINISTRATION:** The Contractor shall maintain, or supervise the maintenance of all records necessary to properly account for the payments made to the Contractor for costs authorized by this contract. These records shall be retained by the Contractor for at least four years after the contract terminates, or until all audits initiated within the four years, have been completed, whichever is later. The Contractor agrees to allow State and Federal auditors, and State Agency Staff, access to all the records to this contract, for audit and inspection, and monitoring of services. Such access will be during normal business hours, or by appointment.
5. **CERTIFY REGISTRATION AND USE OF EMPLOYMENT "STATUS VERIFICATION SYSTEM":** The Status Verification System, also referred to as "E-verify", only applies to contracts issued through a Request for Proposal process, and to sole sources that are included within a Request for Proposal. It does not apply to Invitation for Bids or to the Multi-Step Process.

#### **5.1 Status Verification System**

1. Each offeror and each person signing on behalf of any offeror certifies as to its own entity, under penalty of perjury, that the named Contractor has registered and is participating in the Status Verification System to verify the work eligibility status of the contractor's new employees that are employed in the State of Utah in accordance with applicable immigration laws including UCA Section 63G-12-302.
2. The Contractor shall require that the following provision be placed in each subcontract at every tier: "The subcontractor shall certify to the main (prime or general) contractor by affidavit that the subcontractor has verified through the Status Verification System the employment status of each new employee of the respective subcontractor, all in accordance with applicable immigration laws including UCA Section 63G-12-302 and to comply with all applicable employee status verification laws. Such affidavit must be provided prior to the notice to proceed for the subcontractor to perform the work."
3. The State will not consider a proposal for award, nor will it make any award where there has not been compliance with this Section.
4. Manually or electronically signing the Proposal is deemed the Contractor's certification of compliance with all provisions of this employment status verification certification required by all applicable status verification laws including UCA Section 63G-12-302.

#### **5.2 Indemnity Clause for Status Verification System**

1. Contractor (includes, but is not limited to any Contractor, Design Professional, Designer or Consultant) shall protect, indemnify and hold harmless, the State and its officers, employees, agents, representatives and anyone that the State may be liable for, against any claim, damages or liability arising out of or resulting from violations of the above Status Verification System Section whether violated by employees, agents, or contractors of the following: (a) Contractor; (b) Subcontractor at any tier; and/or (c) any entity or person for whom the Contractor or Subcontractor may be liable.
2. Notwithstanding Section 1. above, Design Professionals or Designers under direct contract with the State shall only be required to indemnify the State for a liability claim that arises out of the design professional's services, unless the liability claim arises from the Design Professional's negligent act, wrongful act, error or omission, or other liability imposed by law except that the design professional shall be required to indemnify the State in regard to subcontractors or subconsultants at any tier that are under the direct or indirect control or responsibility of the Design Professional, and includes all independent contractors, agents, employees or anyone else for whom the Design Professional may be liable at any tier.
6. **CONFLICT OF INTEREST:** Contractor represents that none of its officers or employees are officers or employees of the State of Utah, unless disclosure has been made in accordance with 67-16-8, Utah Code Annotated, 1953, as amended.
7. **CONTRACTOR, AN INDEPENDENT CONTRACTOR:** The Contractor shall be an independent contractor, and as such, shall have no authorization, express or implied, to bind the State to any agreements, settlements, liability, or understanding whatsoever, and agrees not to perform any acts as agent for the State, except as herein expressly set forth. Compensation stated herein shall be the total amount payable to the Contractor by the State. The Contractor shall be responsible for the payment of all income tax and social security amounts due as a result of payments received from the State for these contract services. Persons employed by the State and acting under the direction of the State shall not be deemed to be employees or agents of the Contractor.
8. **INDEMNITY CLAUSE:** The Contractor agrees to indemnify, save harmless, and release the State of Utah, and all its officers, agents, volunteers, and employees from and against any and all loss, damages, injury, liability, suits, and proceedings arising out of the performance of this contract which are caused in whole or in part by the acts or negligence of the Contractor's officers, agents, volunteers, or employees, but not for claims arising from the State's sole negligence. The parties agree that if there are any Limitations of the Contractor's Liability, including a limitation of liability for anyone for whom the Contractor is responsible, such Limitations of Liability will not apply to injuries to persons, including death, or to damages to property.
9. **EMPLOYMENT PRACTICES CLAUSE:** The Contractor agrees to abide by the provisions of Title VI and VII of the Civil Rights Act of 1964 (42USC 2000e) which prohibits discrimination against any employee or applicant for employment or any applicant or recipient of services, on the basis of race, religion, color, or national origin; and further agrees to abide by Executive Order No. 11246, as amended, which prohibits discrimination on the basis of sex; 45 CFR 90 which prohibits discrimination on the basis of age; and Section 504 of the Rehabilitation Act of 1973, or the Americans with Disabilities Act of 1990 which prohibits discrimination on the basis of disabilities. Also, the Contractor agrees to abide by Utah's Executive Order, dated March 17, 1993, which prohibits sexual harassment in the work place.
10. **SEPARABILITY CLAUSE:** A declaration by any court, or any other binding legal source, that any provision of this contract is illegal and void shall not affect the legality and enforceability of any other provision of this contract, unless the provisions are mutually dependent.

11. **RENEGOTIATION OR MODIFICATIONS:** This contract may be amended, modified, or supplemented only by written amendment to the contract, executed by authorized persons of the parties hereto, and attached to the original signed copy of the contract. Automatic renewals will not apply to this contract.
12. **DEBARMENT:** The Contractor certifies that neither it nor its principals are presently or have ever been debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (contract), by any governmental department or agency. If the Contractor cannot certify this statement, attach a written explanation for review by the State. The Contractor must notify the State Director of Purchasing within 30 days if debarred by any governmental entity during the Contract period.
13. **TERMINATION:** Unless otherwise stated in the Special Terms and Conditions, this contract may be terminated, with cause by either party, in advance of the specified termination date, upon written notice being given by the other party. The party in violation will be given ten (10) working days after notification to correct and cease the violations, after which the contract may be terminated for cause. This contract may be terminated without cause, in advance of the specified expiration date, by either party, upon sixty (60) days prior written notice being given the other party. On termination of this contract, all accounts and payments will be processed according to the financial arrangements set forth herein for approved services rendered to date of termination.
14. **NONAPPROPRIATION OF FUNDS:** The Contractor acknowledges that the State cannot contract for the payment of funds not yet appropriated by the Utah State Legislature. If funding to the State is reduced due to an order by the Legislature or the Governor, or is required by State law, or if federal funding (when applicable) is not provided, the State may terminate this contract or proportionately reduce the services and purchase obligations and the amount due from the State upon 30 days written notice. In the case that funds are not appropriated or are reduced, the State will reimburse Contractor for products delivered or services performed through the date of cancellation or reduction, and the State will not be liable for any future commitments, penalties, or liquidated damages.
15. **SALES TAX EXEMPTION:** The State of Utah's sales and use tax exemption number is 11736850-010-STC, located at <http://purchasing.utah.gov/contract/documents/salestaxexemptionformsigned.pdf>. The tangible personal property or services being purchased are being paid from State funds and used in the exercise of that entity's essential functions. If the items being purchased are construction materials, they will be converted into real property by employees of this government entity, unless otherwise stated in the contract.
16. **WARRANTY:** The Contractor agrees to warrant and assume responsibility for all products (including hardware, firmware, and/or software products) that it licenses, contracts, or sells to the State of Utah under this contract for a period of one year, unless otherwise specified and mutually agreed upon elsewhere in this contract. The Contractor (seller) acknowledges that all warranties granted to the buyer by the Uniform Commercial Code of the State of Utah apply to this contract. Product liability disclaimers and/or warranty disclaimers from the seller are not applicable to this contract unless otherwise specified and mutually agreed upon elsewhere in this contract. In general, the Contractor warrants that: (1) the product will do what the salesperson said it would do, (2) the product will live up to all specific claims that the manufacturer makes in their advertisements, (3) the product will be suitable for the ordinary purposes for which such product is used, (4) the product will be suitable for any special purposes that the State has relied on the Contractor's skill or judgment to consider when it advised the State about the product, (5) the product has been properly designed and manufactured, and (6) the product is free of significant defects or unusual problems about which the State has not been warned. Remedies available to the State include the following: The Contractor will repair or replace (at no charge to the State) the product whose nonconformance is discovered and made known to the Contractor in writing. If the repaired and/or replaced product proves to be inadequate, or fails of its essential purpose, the Contractor will refund the full amount of any payments that have been made. Nothing in this warranty will be construed to limit any rights or remedies the State of Utah may otherwise have under this contract.
17. **PUBLIC INFORMATION:** Contractor agrees that the contract, related Sales Orders, and Invoices will be public documents, and may be available for distribution. Contractor gives the State express permission to make copies of the contract, related Sales Orders, and Invoices in accordance with the State of Utah Government Records Access and Management Act (GRAMA). Except for sections identified in writing and expressly approved by the State Division of Purchasing, Contractor also agrees that the Contractor's response to the solicitation will be a public document, and copies may be given to the public under GRAMA laws. The permission to make copies as noted will take precedence over any statements of confidentiality, proprietary information, copyright information, or similar notation.
18. **DELIVERY:** Unless otherwise specified in this contract, all deliveries will be F.O.B. destination with all transportation and handling charges paid by the Contractor. Responsibility and liability for loss or damage will remain with Contractor until final inspection and acceptance when responsibility will pass to the State except as to latent defects, fraud and Contractor's warranty obligations.
19. **ORDERING AND INVOICING:** All orders will be shipped promptly in accordance with the delivery schedule. The Contractor will promptly submit invoices (within 30 days of shipment or delivery of services) to the State. The State contract number and/or the agency purchase order number shall be listed on all invoices, freight tickets, and correspondence relating to the contract order. The prices paid by the State will be those prices listed in the contract. The State has the right to adjust or return any invoice reflecting incorrect pricing.
20. **PROMPT PAYMENT DISCOUNT:** Offeror may quote a prompt payment discount based upon early payment; however, discounts offered for less than 30 days will not be considered in making the award. Contractor shall list Payment Discount Terms on invoices. The prompt payment discount will apply to payments made with purchasing cards and checks. The date from which discount time is calculated will be the date a correct invoice is received or receipt of shipment, whichever is later; except that if testing is performed, the date will be the date of acceptance of the merchandise.
21. **PAYMENT:** Payments are normally made within 30 days following the date the order is delivered or the date a correct invoice is received, whichever is later. After 60 days from the date a correct invoice is received by the appropriate State official, the Contractor may assess interest on overdue, undisputed account charges up to a maximum of the interest rate paid by the IRS on taxpayer refund claims, plus two percent, computed similarly as the requirements of Utah Code Annotated Section 15-6-3. The IRS rate is adjusted quarterly, and is applied on a per annual basis, on the invoice amount that is overdue. All payments to the Contractor will be remitted by mail, electronic funds transfer, or the State of Utah's Purchasing Card (major credit card).

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22. **PATENTS, COPYRIGHTS, ETC.:** The Contractor will release, indemnify and hold the State, its officers, agents and employees harmless from liability of any kind or nature, including the Contractor's use of any copyrighted or un-copyrighted composition, secret process, patented or un-patented invention, article or appliance furnished or used in the performance of this contract.
23. **ASSIGNMENT/SUBCONTRACT:** Contractor will not assign, sell, transfer, subcontract or sublet rights, or delegate responsibilities under this contract, in whole or in part, without the prior written approval of the State.
24. **DEFAULT AND REMEDIES:** Any of the following events will constitute cause for the State to declare Contractor in default of the contract: 1. Nonperformance of contractual requirements; 2. A material breach of any term or condition of this contract. The State will issue a written notice of default providing a ten (10) day period in which Contractor will have an opportunity to cure. Time allowed for cure will not diminish or eliminate Contractor's liability for damages. If the default remains, after Contractor has been provided the opportunity to cure, the State may do one or more of the following: 1. Exercise any remedy provided by law; 2. Terminate this contract and any related contracts or portions thereof; 3. Impose liquidated damages, if liquidated damages are listed in the contract; 4. Suspend Contractor from receiving future solicitations.
25. **FORCE MAJEURE:** Neither party to this contract will be held responsible for delay or default caused by fire, riot, acts of God and/or war which is beyond that party's reasonable control. The State may terminate this contract after determining such delay or default will reasonably prevent successful performance of the contract.
26. **PROCUREMENT ETHICS:** The Contractor understands that a person who is interested in any way in the sale of any supplies, services, construction, or insurance to the State of Utah is violating the law if the person gives or offers to give any compensation, gratuity, contribution, loan or reward, or any promise thereof to any person acting as a procurement officer on behalf of the State, or who in any official capacity participates in the procurement of such supplies, services, construction, or insurance, whether it is given for their own use or for the use or benefit of any other person or organization (63G-6-1002, Utah Code Annotated, 1953, as amended).
27. **CONFLICT OF TERMS:** Contractor Terms and Conditions that apply must be in writing and attached to the contract. No other Terms and Conditions will apply to this contract including terms listed or referenced on a Contractor's website, terms listed in a Contractor quotation/sales order, etc. In the event of any conflict in the contract terms and conditions, the order of precedence shall be: 1. Attachment A: State of Utah Standard Terms and Conditions; 2. State of Utah Contract Signature Page(s); 3. State Additional Terms and Conditions; 4. Contractor Terms and Conditions.
28. **ENTIRE AGREEMENT:** This Agreement, including all Attachments, and documents incorporated hereunder, and the related State Solicitation constitutes the entire agreement between the parties with respect to the subject matter, and supersedes any and all other prior and contemporaneous agreements and understandings between the parties, whether oral or written. The terms of this Agreement shall supersede any additional or conflicting terms or provisions that may be set forth or printed on the Contractor's work plans, cost estimate forms, receiving tickets, invoices, or any other related standard forms or documents of the Contractor that may subsequently be used to implement, record, or invoice services hereunder from time to time, even if such standard forms or documents have been signed or initialed by a representative of the State. The parties agree that the terms of this Agreement shall prevail in any dispute between the terms of this Agreement and the terms printed on any such standard forms or documents, and such standard forms or documents shall not be considered written amendments of this Agreement.

(Revision date: 12 July 2011)

**SPECIAL PROVISIONS**

**DEPARTMENT AGREES TO:**

1. Communicate with the CONTRACTOR regarding entities the DEPARTMENT believes need assistance.
2. Meet at least quarterly with the CONTRACTOR'S Development Specialist and other appropriate staff to identify and discuss entities in need of assistance, and progress made with entities previously identified.
3. Provide any necessary training for the CONTRACTOR'S Development Specialist and other appropriate staff on the requirements and standards of the Utah Public Drinking Water Rules and the Utah Department of Public Utilities rules.
4. Respond to CONTRACTOR'S requests for technical assistance in carrying out the provisions of this contract.
5. Provide prompt processing on a monthly basis, of CONTRACTOR reimbursement claims (according to budget, see ATTACHMENT C), as work is completed.
6. Upon request, DEPARTMENT agrees to help facilitate and encourage Counties and other local entities to work with CONTRACTOR in meeting specified goals.

**CONTRACTOR AGREES TO:**

1. Meet at least quarterly with Drinking Water program representatives to identify and discuss entities in need of assistance and progress with entities previously identified.
2. Attend Drinking Water Board meeting at least quarterly to give the Board updates on programs or answer questions.
3. Modify and improve model County Ordinance for Water Capacity Development for new development/water systems as necessary.
4. Modify and improve model minimum Construction Standards for Counties based on UDDW Construction Standards as necessary.
5. Facilitate general meetings with County Officials in conjunction with UDDW Staff and Board.
6. Coordinate with UDDW staff to prioritize counties needing assistance and as mutually agreed upon, attend and present Capacity Development Ordinance needs to County Commissions/Councils. Invite and encourage UDDW staff attendance at these meetings.
7. As mutually agreed upon, present Capacity Development and Drinking Water Authority needs to County Planning Commissions or Planners.
8. As mutually agreed upon, present Capacity Development and Drinking Water Authority needs to County/Local Health Departments.
9. In meetings with local planners and building permit officials, demonstrate the secure web site that displays source protection areas, explain minimum recommendations for source protection ordinances and/or provide copies of the Department's model source protection ordinance, provide education on proper management practices for development in source protection areas and encourage support for local source protection efforts as necessary.
10. Advise local planners and building permit officials of the authority of the Utah Division of Public Utilities (UDPU) over proposed developments and the need to submit plans to UDPU for review and approval prior to new development platting.
11. As opportunities are available, work with local entities to provide education to any or all parties that might be involved. (systems, developers, general public, etc.)
12. Attend additional training as approved or required by RWAU Executive Director.

13. Provide Capacity Development assistance to drinking water systems within constraints of available time.
13. Provide monthly reports to the DEPARTMENT showing which entities were visited during the month, the nature of the contact, and progress made with these entities.
14. Report expenditures for reimbursement to the DEPARTMENT on a monthly basis.
15. Track work efforts on an hour-by-hour basis to document time spent as listed in above items.
16. Comply with all applicable state and federal requirements concerning cost principals, audit requirements, and grant administration requirements. As a non-profit organization, the CONTRACTOR is subject to the following requirements:

For Cost Principles, OMB Circular A-122

For Federal Audit requirements, OMB Circular A-133

For State Audit Requirements, State Legal Compliance Audit Guide (SLCAG)

For Grant Administration Requirements, OMB Circular A-110

As of October 12, 2010, documentation for these requirements can be found at:

OMB Circulars: <http://www.whitehouse.gov/omb/circulars/>

OMB Common Rule: <http://www.whitehouse.gov/omb/grants/attach.html>

CFRs: <http://www.gpoaccess.gov/cfr/index.html>

SLCAG: <http://www.sao.utah.gov/lgResources.html>

**IT IS MUTUALLY AGREED THAT:**

1. CONTRACTOR will submit monthly billing invoices to the DEPARTMENT based on actual expenditures for the prior month.
2. The total amount of reimbursement to be paid to the CONTRACTOR under this contract shall not exceed **\$124,757**. Also, indirect costs for sections A and B, and office administration costs for section C of the budget shall not exceed the amounts shown in Attachment C.

**ATTACHMENT C**

Rural Water Association Development Contract  
January 1, 2012 to December 31, 2012

**BUDGET****A. Development Specialist at RWAU Offices****Direct Program Costs:**

Salaries and Fringe Benefits	\$65,679
Travel	\$27,700
Supplies	\$1,200

TOTAL DIRECT COSTS	<u>\$94,579</u>
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TOTAL INDIRECT COSTS	<u>\$30,178</u>
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Allocated shares of personnel costs for Executive  
Director and Office Manager, office supplies,  
-building rental and maintenance, telecommunications

TOTAL:	<u>\$124,757</u>
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<b>E. GRAND TOTAL</b>	<b><u>\$124,757</u></b>
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## AGENDA ITEM 8

### OPERATOR CERTIFICATION COMMISSION

#### MEMBER RENEWALS

**OPERATOR CERTIFICATION COMMISSION  
RENEWALS**

The Operator Certification Commission is requesting that the Drinking Water Board approve changing the terms on the Commission for David Stevens and Bart Simons from January 1, 2013 to December 31, 2015.

Staff Recommendation:

Staff recommends that the Drinking Water Board approve the expiration date of David Stevens and Bart Simons from January 1, 2013 to December 31, 2015.

## OPERATOR CERTIFICATION COMMISSION

Member	Agency Represented	Date of Original Appointment	Term of Office Expires
Craig Fahmi Jordan Valley Water Conservancy District 8215 South 1300 West West Jordan, Utah 84084 Phone: 256-4401 Fax: (801) 565-4394	American Water Works Association – Distribution	January 1, 2001	December 31, 2013
Mark Clark Weber Basin Water Conservancy District 2837 East Highway 193 Layton, Utah 84040 Phone: 771-1677 Fax: (801) 544-0103	American Water Works Association – Treatment	January 1, 2001	December 31, 2013
Gary M. Larsen P.O. Box 72 Millville, Utah 84326 Phone: (435) 750-0924	Rural Water Association of Utah	January 1, 2007	December 31, 2013
Terry Beebe, Env. Director Utah County Health Dept. 151 S. University Ave., Suite 2600 Provo, Utah 84601 Phone: (801) 751-7071 Fax: (801) 851-7521	Drinking Water Board	March 10, 2010	December 31, 2013
James Callison, Environmental Technology Utah Valley State College 800 West 1200 South Orem, Utah 84058-5999 Phone: (801) 222-8000, x 8677 Fax: (801) 226-5207	Joint Training Coordinating Committee	January 1, 1993	December 31, 2014
Dr. David K. Stevens Utah State University Department of Civil & Environmental Engineering Logan, Utah 84331-4110 Phone: (435) 797-3229 Fax: (435) 750-1185	Higher Education	January 1, 1987	December 31, 2015
Bart Simons Provo City 1371 West 1730 North Provo, Utah 84604 Phone: 852-6782 Fax: (801) 852-6778	Utah League of Cities & Towns	January 1, 1995	December 31, 2015

9/15/12

Term is: 3 years

OpCert

**CURRENT**  
**OPERATOR CERTIFICATION COMMISSION**

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Member	Agency Represented	Date of Original Appointment	Term of Office Expires
Craig Fahmi Jordan Valley Water Conservancy District 8215 South 1300 West West Jordan, Utah 84084 Phone: 256-4401 Fax: (801) 565-4394	American Water Works Association – Distribution	January 1, 2001	December 31, 2013
Mark Clark Weber Basin Water Conservancy District 2837 East Highway 193 Layton, Utah 84040 Phone: 771-1677 Fax: (801) 544-0103	American Water Works Association – Treatment	January 1, 2001	December 31, 2013
Gary M. Larsen P.O. Box 72 Millville, Utah 84326 Phone: (435) 750-0924	Rural Water Association of Utah	January 1, 2007	December 31, 2013
Terry Beebe, Env. Director Utah County Health Dept. 151 S. University Ave., Suite 2600 Provo, Utah 84601 Phone: (801) 751-7071 Fax: (801) 851-7521	Drinking Water Board	March 10, 2010	December 31, 2013
James Callison, Environmental Technology Utah Valley State College 800 West 1200 South Orem, Utah 84058-5999 Phone: (801) 222-8000, x 8677 Fax: (801) 226-5207	Joint Training Coordinating Committee	January 1, 1993	December 31, 2014
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Bart Simons Provo City 1371 West 1730 North Provo, Utah 84604 Phone: 852-6782 Fax: (801) 852-6778	Utah League of Cities & Towns	January 1, 1995	<b>December 31, 2015</b>

10/1/12

Term is: 3 years

OpCert

## AGENDA 9

### CROSS CONNECTION CONTROL COMMISSION

#### MEMBER RENEWALS

## **CROSS CONNECTION CONTROL COMMISSION REPLACEMENT**

The Cross Connection Control Commission currently has 7 members. Each Commission member is appointed to a two-year term. One of the members is requesting continuance on the Commission. One member has requested a new appointee.

The Utah League of Cities & Towns has not identified a representative.

Dan Smith will remain as the Plumbers and Pipe Trades representative.

Danny Fleming will remain as the Drinking Water Board representative.

Gary Jenkins will remain as the Utah Mechanical Contractors Association's representative.

Terry Smith will remain as the Rural Water Association of Utah's representative.

A Current Commission Roster and the Proposed Commission Roster are attached.

### Staff Recommendations:

The Commission recommends the Drinking Water Board approve:

1. Danny Fleming, Dan Smith, Gary Jenkins, and Terry Smith have requested to serve another term on the Cross Connection Control Commission, with their terms ending on December 31, 2013.

# **PROPOSED** **Cross Connection Control Commission**

<b>Member</b>	<b>Agency Represented</b>	<b>Agency Contact</b>	<b>Date of Original Appointment</b>	<b>Term of Office Expires</b>
<b>Dan B. Smith</b> <b>Utah Pipe Trades Educational Program</b> <b>900 North 400 West, Suite 4</b> <b>North Salt Lake, Utah 84054-2636</b> <b>Phone: (801) 295-6198</b> <b>Fax: (801) 295-5864</b>	<b>Plumbers and Pipe Trades</b>	<b>Dan B. Smith</b> <b>295-6198</b>	<b>December 16, 2004</b>	<b>December 31, 2014</b>
<b>Gary Jenkins</b> <b>Backflow Supply</b> <b>962 East 900 South</b> <b>Salt Lake City, Utah 84105</b> <b>Phone: (801) 355-6736</b> <b>Fax: (801) 355-9233</b>	<b>Utah Mechanical Contractors Association</b>	<b>Bob Bergman</b> <b>364-7768</b>	<b>January 1, 1989</b>	<b>December 31, 2014</b>
<b>Terry K. Smith</b> <b>Rural Water Association of Utah</b> <b>76 Red Pine Drive</b> <b>Alpine, Utah 84627</b> <b>Phone: (435) 756-5123</b> <b>Fax: (435) 756-5036</b>	<b>Rural Water Association of Utah</b>	<b>Dale Pierson</b> <b>756-5123</b>	<b>March 5, 2009</b>	<b>December 31, 2014</b>
<b>Danny Fleming</b> <b>Blanding City WS</b> <b>50 West 100 South</b> <b>Blanding, Utah 84511</b> <b>Phone: (435) 678-2507</b> <b>Fax: (435) 678-3312</b>	<b>Drinking Water Board</b>	<b>Michael Grange</b> <b>536-4200</b>	<b>January 1, 2009</b>	<b>December 31, 2014</b>
<b>Bart Simons</b> <b>Utah League of Cities &amp; Towns</b> <b>50 South 600 East, Suite 150</b> <b>Salt Lake City, Utah 84102</b>	<b>Utah League of Cities and Towns</b>	<b>Kenneth Bullock</b> <b>328-1601</b>	<b>October 12, 2014</b>	<b>December 31, 2014</b>
<b>Tim Collings</b> <b>Salt Lake City</b> <b>451 South State Street, Suite 406</b> <b>Salt Lake City, Utah 84111</b> <b>Phone: (801) 535-6685</b> <b>Fax: (801) 535-6297</b>	<b>Utah Association of Plumbing &amp; Mechanical Officials</b>	<b>Stuart Murray</b> <b>629-8956</b>	<b>December 16, 2004</b>	<b>December 31, 2013</b>
<b>Anne Hansen</b> <b>6540 Stanwick Road, #12</b> <b>Cottonwood Heights, Utah 84121</b>	<b>Utah Chapter of the American Backflow Prevention Association</b>	<b>Anne Hansen</b> <b>723-9763</b>	<b>March 10, 2010</b>	<b>December 31, 2013</b>

10/3/12

Term is: 2 years

xcon

**CURRENT**  
**Cross Connection Control Commission**

<b>Member</b>	<b>Agency Represented</b>	<b>Agency Contact</b>	<b>Date of Original Appointment</b>	<b>Term of Office Expires</b>
<b>Dan B. Smith</b> Utah Pipe Trades Educational Program 900 North 400 West, Suite 4 North Salt Lake, Utah 84054-2636 Phone: (801) 295-6198 Fax: (801) 295-5864	<b>Plumbers and Pipe Trades</b>	<b>Dan B. Smith</b> 295-6198	<b>December 16, 2004</b>	<b>December 31, 2012</b>
<b>Gary Jenkins</b> Backflow Supply 962 East 900 South Salt Lake City, Utah 84105 Phone: (801) 355-6736 Fax: (801) 355-9233	<b>Utah Mechanical Contractors Association</b>	<b>Bob Bergman</b> 364-7768	<b>January 1, 1989</b>	<b>December 31, 2012</b>
<b>Terry K. Smith</b> Rural Water Association of Utah 76 Red Pine Drive Alpine, Utah 84627 Phone: (435) 756-5123 Fax: (435) 756-5036	<b>Rural Water Association of Utah</b>	<b>Dale Pierson</b> 756-5123	<b>March 5, 2009</b>	<b>December 31, 2012</b>
<b>Danny Fleming</b> Blanding City WS 50 West 100 South Blanding, Utah 84511 Phone: (435) 678-2507 Fax: (435) 678-3312	<b>Drinking Water Board</b>	<b>Michael Grange</b>  536-4200	<b>January 1, 2002</b>	<b>December 31, 2012</b>
<b>Bart Simons</b> Utah League of Cities & Towns 50 South 600 East, Suite 150 Salt Lake City, Utah 84102	<b>Utah League of Cities and Towns</b>	<b>Kenneth Bullock</b> 328-1601	<b>DATE OPEN</b>	<b>DATE OPEN</b>
<b>Tim Collings</b> Salt Lake City 451 South State Street, Suite 406 Salt Lake City, Utah 84111 Phone: (801) 535-6685 Fax: (801) 535-6297	<b>Utah Association of Plumbing &amp; Mechanical Officials</b>	<b>Stuart Murray</b> 629-8956	<b>December 16, 2004</b>	<b>December 31, 2013</b>
<b>Anne Hansen</b> 6540 Stanwick Road, #12 Cottonwood Heights, Utah 84121	<b>Utah Chapter of the American Backflow Prevention Association</b>	<b>Anne Hansen</b> 723-9763	<b>March 10, 2010</b>	<b>December 31, 2013</b>

10/3/12  
Term is: 2 years  
xcon

AGENDA 10

FINAL CHANGES TO RULES

R309-600-13-3  
And  
R309-515

# **RULE ADOPTION FOR RULE REVISIONS OF *R309-515-6(4)* AND *R309-600-13(3)***

On July 13, 2012, the Drinking Water Board authorized the Division staff to initiate the rulemaking process to revise the engineering rule in *R309-515-6(4)* and the source protection rule in *R309-600-13(3)*. These rule revisions are to make the rules consistent with how they apply to source protection zones one and two, including:

- Replacing the “five feet of suitable soil” requirement with protected or unprotected aquifer status, and
- Specifying and clarifying construction requirements for upgrading sewer lines in source protection zones one and two.

The 30-day formal comment period ended on September 14, 2012. The Division received six comments during the public comment periods. As a result of the comments received, non-substantive modifications to the rule amendments proposed on July 13, 2012, were made. These non-substantive changes are shown as underlined in the final version of the rule revisions (attached).

## **Staff Recommendation:**

The staff recommends the Drinking Water Board adopt the rule revisions and authorize staff to make these rule changes effective on November 15, 2012.

RULE  
R309-600-13-3

## Source Protection Rule Revisions R309-515-6(4) and R309-600-13(3) (for Rule Adoption)

### R309-515-6. Ground Water - Wells.

#### (4) Source Protection.

Public drinking water systems are responsible for protecting their sources from contamination. The selection of a well location shall only be made after consideration of the requirements of R309-600. Sources shall be located in an area which will minimize threats from existing or potential sources of pollution.

Generally, sewer lines should not be located within zone one and zone two of a public drinking water system's source protection zones. However, if certain precautions are taken, sewer lines may be permitted within a public drinking water system's source protection zone one and zone two. Sewer lines shall meet the conditions identified in R309-600-13(3), and shall be specially constructed throughout zone one in aquifers classified as protected, and zones one and two, if the aquifer is classified as unprotected, as follows:

- (a) sewer lines shall be constructed to remain watertight. The lines shall be deflection tested in accordance with the Division of Water Quality Rule R317-3. The lines shall be video inspected for any defect following completion of construction and before being placed in service. The sewer pipe material shall be:
  - (i) high density polyethylene (HDPE) pipe with a PE3408 or PE4710 rating from the Plastic Pipe Institute and have a Dimension Ratio (DR) of 17 or less, and all joints shall be fusion welded, or
  - (ii) polyvinyl chloride (PVC) pipe meeting AWWA Specification C900 or C905 and have a DR of 18 or less. PVC pipe shall be either restrained gasketed joints or shall be fusion welded. Solvent cement joints shall not be acceptable. The PVC pipe shall be clearly identified when installed, by marking tape or other means as a sanitary sewer line, or
  - (iii) ductile iron pipe with ceramic epoxy lining, polyethylene encasement, restrained joints, and a minimum pressure class of 200.
- (b) procedures for leakage tests shall be specified and comply with Division of Water Quality Rule R317-3 requirements.
- (c) lateral to main connection shall be fusion welded, shop fabricated, or saddled with a mechanical clamping watertight device designed for the specific pipe;

- (d) the sewer pipe to manhole connections shall be made using a shop fabricated sewer pipe seal ring cast into the manhole base (a mechanical joint shall be installed within 12 inches of the manhole base on each line entering the manhole if the line is cast into the manhole, regardless of the pipe material);
- (e) the sewer pipe shall be laid with no greater than 2 percent deflection at any joint;
- (f) backfill shall be compacted to not less than 95 percent of maximum laboratory density as determined in accordance with ASTM Standard D-690;
- (g) sewer manholes shall meet the following requirements:
  - (i) the manholes shall be constructed of reinforced concrete;
  - (ii) manhole base and walls, up to a point at least 12 inches above the top of the upper most sewer pipe entering the manhole, shall be fabricated in a single concrete pour without joints; and
  - (iii) the manholes shall be air pressure tested after installation.
- (h) in unprotected aquifers, an impermeable cutoff wall shall be constructed in all sewer trenches on the up-gradient edge of zone two. In protected aquifers, an impermeable cutoff wall shall be constructed in all sewer trenches on the up-gradient edge of zone one.

**R309-600-13. New Ground-water Sources of Drinking Water.**

(3) Sewers Within DWSP Zones and Management Areas - Sewer lines may not be located within zones one and two or a management area unless the criteria identified below are met. If sewer lines are located or planned to be located within zones one and two or a management area, the PER must demonstrate that they comply with these criteria. Sewer lines that comply with these criteria may be assessed as adequately controlled potential contamination sources.

(a) Unprotected Aquifers -

- (i) Zone one - sewer lines and laterals shall be at least 50 feet from the wellhead or margin of the collection area, and be constructed in accordance to R309-515-6.
- (ii) Zone two - all sewer lines and laterals within zone two or a management area shall be constructed in accordance with R309-515-6.

(b) Protected Aquifers – in zone one all sewer lines and laterals shall be constructed in accordance to R309-515-6, and shall be at least 10 feet from the wellhead or margin of the collection area.

## RULE 309-515

## Source Protection Rule Revisions R309-515-6(4) and R309-600-13(3) (for Rule Adoption)

### R309-515-6. Ground Water - Wells.

#### (4) Source Protection.

Public drinking water systems are responsible for protecting their sources from contamination. The selection of a well location shall only be made after consideration of the requirements of R309-600. Sources shall be located in an area which will minimize threats from existing or potential sources of pollution.

Generally, sewer lines should not be located within zone one and zone two of a public drinking water system's source protection zones. However, if certain precautions are taken, sewer lines may be permitted within a public drinking water system's source protection zone one and zone two. Sewer lines shall meet the conditions identified in R309-600-13(3), and shall be specially constructed throughout zone one in aquifers classified as protected, and zones one and two, if the aquifer is classified as unprotected, as follows:

(a) sewer lines shall be constructed to remain watertight. The lines shall be deflection tested in accordance with the Division of Water Quality Rule R317-3. The lines shall be video inspected for any defect following completion of construction and before being placed in service. The sewer pipe material shall be:

(i) high density polyethylene (HDPE) pipe with a PE3408 or PE4710 rating from the Plastic Pipe Institute and have a Dimension Ratio (DR) of 17 or less, and all joints shall be fusion welded, or

(ii) polyvinyl chloride (PVC) pipe meeting AWWA Specification C900 or C905 and have a DR of 18 or less. PVC pipe shall be either restrained gasketed joints or shall be fusion welded. Solvent cement joints shall not be acceptable. The PVC pipe shall be clearly identified when installed, by marking tape or other means as a sanitary sewer line, or

(iii) ductile iron pipe with ceramic epoxy lining, polyethylene encasement, restrained joints, and a minimum pressure class of 200.

(b) procedures for leakage tests shall be specified and comply with Division of Water Quality Rule R317-3 requirements.

(c) lateral to main connection shall be fusion welded, shop fabricated, or saddled with a mechanical clamping watertight device designed for the specific pipe;

- (d) the sewer pipe to manhole connections shall be made using a shop fabricated sewer pipe seal ring cast into the manhole base (a mechanical joint shall be installed within 12 inches of the manhole base on each line entering the manhole if the line is cast into the manhole, regardless of the pipe material);
- (e) the sewer pipe shall be laid with no greater than 2 percent deflection at any joint;
- (f) backfill shall be compacted to not less than 95 percent of maximum laboratory density as determined in accordance with ASTM Standard D-690;
- (g) sewer manholes shall meet the following requirements:
  - (i) the manholes shall be constructed of reinforced concrete;
  - (ii) manhole base and walls, up to a point at least 12 inches above the top of the upper most sewer pipe entering the manhole, shall be fabricated in a single concrete pour without joints; and
  - (iii) the manholes shall be air pressure tested after installation.
- (h) in unprotected aquifers, an impermeable cutoff wall shall be constructed in all sewer trenches on the up-gradient edge of zone two. In protected aquifers, an impermeable cutoff wall shall be constructed in all sewer trenches on the up-gradient edge of zone one.

**R309-600-13. New Ground-water Sources of Drinking Water.**

(3) Sewers Within DWSP Zones and Management Areas - Sewer lines may not be located within zones one and two or a management area unless the criteria identified below are met. If sewer lines are located or planned to be located within zones one and two or a management area, the PER must demonstrate that they comply with these criteria. Sewer lines that comply with these criteria may be assessed as adequately controlled potential contamination sources.

(a) Unprotected Aquifers -

- (i) Zone one - sewer lines and laterals shall be at least 50 feet from the wellhead or margin of the collection area, and be constructed in accordance to R309-515-6.
- (ii) Zone two - all sewer lines and laterals within zone two or a management area shall be constructed in accordance with R309-515-6.

(b) Protected Aquifers – in zone one all sewer lines and laterals shall be constructed in accordance to R309-515-6, and shall be at least 10 feet from the wellhead or margin of the collection area.

## COMMENTS

# 1

**Jim Martin - Proposed R309-600-13-3 rule change**

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**From:** "Lance Nielsen" <l Nielsen@hansenallenluce.com>  
**To:** <jhmartin@utah.gov>  
**Date:** 10/17/2012 12:14 PM  
**Subject:** Proposed R309-600-13-3 rule change

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Jim,

I realize that this is past the deadline for comments on the proposed rule change (R309-600-13-3). However, I have some concerns over the requirement that "all sewer lines and laterals within zone two....shall be constructed in accordance with R309-515-6(4)" for unprotected aquifers. The Division of Drinking Water website indicates that one reason for the rule change was that "the "5 feet of suitable soil" requirement was problematic because of lack of definition and no practicable means to determine if it existed." Based on evaluations I have performed in the past, the "5 feet of suitable soil" requirement was no more difficult to define than protected aquifer classification. In either case, local well driller's reports were searched for the appropriate materials and extrapolations were made for the specific location in question. It could be argued that it is more difficult to determine protected aquifer classification because of the difficulty in proving "lateral continuity" throughout zone 2.

I feel that this rule change places a very large burden on water systems that are located in areas with unprotected aquifers. For example, many water systems are located over unprotected aquifers and potential new wells may need to be drilled within water system limits to get the best chance for a successful well. DWSP Zone 2 can often be as large as 1,000 feet in diameter and may include entire City blocks of sewer and laterals that have been in place for many years. It is unlikely that sufficient data exists to prove that the original construction meets the requirements of R309-515-6(4). The reconstruction of these sewers represents a significant burden on the water system compared to the relatively minor risk of these sewers.

Requiring "special construction" for sewers in Zone 2 essentially equates the risk from sewers which convey wastewater through the zone with the possibility of some minor leaks with the risk from septic systems which directly discharge wastewater into the ground by design. It is not reasonable to place this much burden for protection upon sewers. Leaks in sewers are generally small enough that within a few feet of the sewer (if above the water table), the wastewater adsorbs to soil particles and evapotranspirates. If they are near the water table, the quantities are generally very small compared to the volume of water moving through the ground.

It is recognized that the idea of tying the sewers within DWSP zones requirement to protected aquifer classification makes evaluation and review convenient. However, I believe that the extent of protection required is unreasonable compared to the risk. It would be more reasonable to either pull back the distance requirement for "special construction" or return to the "suitable soils" evaluation requirement that is currently in place.

Water Quality should also come into play in this discussion. Water systems are already required to monitor for coliforms. If detected, then the water system must either treat the water or shut down the source until they are no longer an issue. Sewers in already developed areas where a new well may be drilled have been in place for a long time in most cases. If there was a water quality issue from sewers in the area, it would be discovered upon drilling and testing the well and the water system would have to deal with the issue accordingly. If not, then there is very little chance that there will be a problem from the sewers.

#2

**Ying-Ying Macauley - Fwd: Comments for proposed rule changes to R309-515-6. Ground Water Wells & R309-600-13. New Ground-water Sources of Drinking Water**

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**From:** Ken Bousfield  
**To:** Bob Hart; Ying-Ying Macauley  
**Date:** 10/22/2012 7:06 AM  
**Subject:** Fwd: Comments for proposed rule changes to R309-515-6. Ground Water Wells & R309-600-13. New Ground-water Sources of Drinking Water

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FYI,  
Ken B

>>> "Mike Hutchinson" <mhutchinson@kearnsid.org> 10/15/2012 4:07 PM >>>  
Ms. Lockhart:

In regards to the subject, please consider the following:

R309-515-6(4)(e) – Recommend insertion of “horizontal” to read “2 percent horizontal deflection at any joint”.  
No deflection is preferred on gravity lines.

R309-515-6(4)(h) – Please define the extents, thickness, depth, and etc. of the impermeable cutoff wall. Is it the intent of DEQ to parallel a sanitary sewer line with an impermeable cutoff wall along the entire length of sanitary sewer that is within a protection zone?

Thanks,

C. W. "Mike" Hutchinson, Jr., P.E.  
Public Works Director/Engineer  
Kearns Improvement District  
5350 West 5400 South  
Kearns, Utah 84118  
801.912.0282

#4

**Bob Hart - Fwd: Comments on Rule Change for sewer line.**

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**From:** Kate Johnson  
**To:** Bob Hart; Jim Martin  
**Date:** 9/11/2012 1:48 PM  
**Subject:** Fwd: Comments on Rule Change for sewer line.  
**CC:** Ken Bousfield

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Jim and Bob, you'll need to brief the board on this comment, and any other comments, when you go back to the board. thx

>>> "John Files" <john@cascadewaterresources.com> 9/11/2012 1:22 PM >>>  
 Below are my comments on the proposed sewer source protection rule amendments.  
 The DDW rules are too limiting as is as is magnified by this section of the new proposed rule.

**"R309-515-6. Ground Water - Wells.****(4) Source Protection.**

*Public drinking water systems are responsible for protecting their sources from contamination. The selection of a well location shall only be made after consideration of the requirements of R309-600. Sources shall be located in an area which will minimize threats from existing or potential sources of pollution."*

Unfortunately in Utah, we do not have a great variety of good producing **sustainable** aquifers to choose from. And source protection staff have used the source protection rules in the past to tell PWS'w they cannot drill in productive areas do to a PCS.

Each new well has a unique set of geology, hydrology, and cultural challenges that simply cannot have "rules" written for. For example, a water table of 1040' has the same rules for a water table of 100', and it makes no difference if it is bedrock or valley fill which each have substantial different vertical transmissivities.

I would strongly suggest that **all** wording be taken out of DDW regs regarding locating a well. The PER and DWSP should be used as a guide for a monitoring plan for the well, not a document to tell a PWS they cannot drill in a certain area as it currently is.

A better approach would be to have the source protection reviewer work with the PWS's, DDW Chemical Quality, and the PWS's hydrologist, to come up with a monitoring plan that best fits the real PCS's instead of telling the PWS they cannot drill in some locations.

John Files  
 Cascade Water Resources  
 Cell: 801.573.8507  
 Fax: 801.421.1591  
 Email: [john@cascadewaterresources.com](mailto:john@cascadewaterresources.com)  
 Web: <http://cascadewaterresources.com/>

R309-515-6 4-G-iii: What is the air pressure test specification for manholes?

R309-515-6 4-h: Is there a specification and detail for the impermeable cutoff wall?

Thanks,

Arthur LeBaron, PE, PLS  
City Engineer  
147 North 870 West  
Hurricane, UT 84737  
435-635-2811 x113  
arthur@cityofhurricane.com<mailto:arthur@cityofhurricane.com>

From: Don Overson [mailto:doverson@jub.com]<mailto:[mailto:doverson@jub.com]>  
Sent: Friday, August 31, 2012 8:03 AM  
Subject: Division of Drinking Water is currently receiving public comment regarding a proposed rule change

The proposed rule changes address sewer lines in drinking water source protection zones. The proposed rule changes can be found on the division's web page: The proposed rule changes address sewer lines in drinking water source protection zones. The proposed rule changes can be found on the division's web page: <http://drinkingwater.utah.gov/index.htm>

Let me know if this idea works, or feel free to call Ying Ying (Engineering Section Manager at DDW) to discuss further: 801-536-4188.

Don E. Overson P.E.  
UCEA Secretary

J-U-B ENGINEERS, Inc.  
240 West Center Street, Suite 200  
Orem, UT 84057  
p|801.226.0393| c |801.319.1995| e |doverson@jub.com<mailto:|doverson@jub.com>

the manhole base on each line entering the manhole, regardless of the pipe material);

~~[(d)]~~(e) the sewer pipe shall be laid with <sup>horizontal, vertical or combo</sup> no greater than 2 percent deflection at any joint;

~~[(e)]~~(f) backfill shall be compacted to not less than 95 percent of maximum laboratory density as determined in accordance with ASTM Standard D-690;

~~[(f)]~~(g) sewer manholes shall meet the following requirements:

~~[(i)]~~ the manhole base and walls, up to a point at least 12 inches above the top of the upper most sewer pipe entering the manhole, shall be shop fabricated in a single concrete pour.

~~[(ii)]~~ the manholes shall be constructed of reinforced concrete.

~~[(iii)]~~ all sewer lines and manholes shall be air pressure tested]

(i) the manholes shall be constructed of reinforced concrete;

(ii) manhole base and walls, up to a point at least 12 inches above the top of the upper most sewer pipe entering the manhole, shall be fabricated in a single concrete pour without joints; and

(iii) the manholes shall be air pressure tested after *method or standard*

(h) in unprotected aquifers, an impermeable cutoff wall shall be constructed in all sewer trenches on the up-gradient edge of zone two. In protected aquifers, an impermeable cutoff wall shall be constructed in all sewer trenches on the up-gradient edge of zone one.

AGENDA 11  
2013  
DRINKING WATER BOARD  
MEETING SCHEDULE

**DRAFT**  
**DRINKING WATER BOARD**  
**2013 MEETING**  
**SCHEDULE**

DATE	NEED PACKET BY	PLACE	TOUR/WORK MEETING	NOTES
January 11, 2013	December 19, 2012	Salt Lake City		
February 28, 2013	February 4, 2013	St. George	Rural Water Annual Conference	
May 10, 2013	April 24, 2013		Work Session at the May Board meeting or the July Board meeting for New (& Current) Board Members	
July 12, 2013	June 26, 2013			
August 28 or 29, 2013 Or September 13, 2013	August 12 or 13, 2013 OR August 28, 2013	Layton, Utah	Rural Water North Conference	
November 8, 2013	October 23, 2013	Salt Lake City		
January 10, 2014	December 18, 2013	Salt Lake City		

**DRAFT**

**DRINKING WATER BOARD**

**FINANCIAL ASSISTANCE SUBMITTAL SCHEDULE**

**2013**

APPLICATION CUT-OFF DATE		SRF PACKET MAILING DATE		SRF CONF CALL DATE		DWB PACKET DEADLINE DATE		DWB MEETING DATE
November 24, 2012		December 5, 2012		December 12, 2012 Wednesday 9:00 AM		December 19, 2012 Wednesday BY NOON		<b>January 11, 2013</b>
December 26, 2013	4 weeks (approximately)	January 23, 2013	1 week (approximately)	January 30, 2013 Wednesday 9:00 AM	1 week (approximately)	February 6, 2013 Wednesday BY NOON	2 weeks (approximately)	<b>March 1, 2013</b>
March 13, 2013		March 10, 2013		April 17, 2013 Wednesday 9:00 AM		April 24, 2013 Wednesday BY NOON		<b>May 10, 2013</b>
May 15, 2013		June 12, 2013		June 19, 2013 Wednesday 9:00 AM		June 26, 2013 Wednesday BY NOON		<b>July 12, 2013</b>
July 17, 2013		August 14, 2013		August 21, 2013 Wednesday 9:00 AM		August 28, 2013 Wednesday BY NOON		<b>September 14, 2013</b>
September 11, 2013		October 9, 2013		October 16, 2013 Wednesday 9:00 AM		October 23, 2013 Wednesday BY NOON		<b>November 9, 2013</b>
November 6, 2013		December 4, 2013		December 11, 2013 Wednesday 9:00 AM		December 18, 2013 Wednesday BY NOON		<b>January 10, 2014</b>